

Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Paris, Tuesday, January 11, 1994

No. 34,482

BCCI Deal Opens Doors For Further Prosecutions

By Alan Friedman

U.S. prosecutors investigating the BCCI affair said Monday that they should be able to bring fresh indictments of both American and foreign figures as a result of a ground-breaking agreement with Abu Dhabi. Under the deal, the Gulf emirate will extradite the former BCCI chief operating officer and make available hundreds of thousands of pages of hitherto secret bank documents.

The accord was reached Saturday after more than four days of intense negotiations in Geneva. It was personally approved by Sheikh Zayed bin Sultan al-Nahyan, the Abu Dhabi ruler, who owned 77 percent of the collapsed Bank of Credit & Commerce International.

U.S. investigators say that the accord came after law enforcement officials made clear that they were contemplating charges against the emirate in relation to the bank scandal, which has been called the world's biggest.

The 23-page agreement between the United States and Abu Dhabi says that "no representations either orally or in writing" were made "to induce any of the parties" to sign. But a U.S. Senate investigator said in an interview that officials of the emirate "knew they ran significant risks of criminal prosecution of members of their family if they didn't cut a deal."

Abu Dhabi has promised to hand over Sheikh Naqvi, the former BCCI chief operating officer, to the United States within 120 days. He faces multiple fraud and money charges.

Mr. Naqvi, who was indicted shortly after international bank regulators shut down BCCI in July 1991, is believed to be the former bank executive best able to help investigators unravel the bank fraud, in which more than \$12.4 billion has vanished. Washington, for its part, has promised as part of the accord not to prosecute anyone in Abu Dhabi.

Other main points of the accord include: the U.S. agreement to remove Sheikh Zayed and Abu Dhabi from a \$1.5 billion civil racketeering lawsuit filed by the trustee of First American Bankshares, a Washington bank that was illegally owned by BCCI.

Abu Dhabi's dropping of claims to \$400 million, consisting of frozen BCCI funds, loans to First American and Abu Dhabi's 28 percent equity stake in the Washington bank.

Robert Morgenthau, the New York District attorney who has spearheaded U.S. investigations of BCCI and whose office indicted Naqvi in July 1991, said Monday he hailed the Geneva accord as a "major breakthrough." In an interview Mr. Morgenthau said he and the Justice Department would gain access to critical files that originally came from the London and Cayman Islands offices of BCCI.

"This will help our investigation of BCCI's ties to drug trafficking and should allow us to pursue new indictments," Mr. Morgenthau said. He said that until now his team had been conducting its BCCI investigation "with one hand tied behind our back."

The Geneva deal could also pave the way for See BCCI, Page 15



President Bill Clinton, left, and Chancellor Helmut Kohl, right, prior to the opening of the NATO summit session Monday.

A Sigh of Relief From European Leaders 'American Contribution Continues to Be Vital,' Major Asserts

By Tom Buerkle

BRUSSELS — It took President Bill Clinton nearly a year to come to Europe to reaffirm that the United States would remain engaged in the defense of Europe, but European leaders were not complaining about the wait on Monday.

At a summit meeting to define a post-Cold War role for the North Atlantic Treaty Organization, Mr. Clinton was praised from the allies for his long-term commitment to the alliance.

Mr. Clinton was praised from the allies for his long-term commitment to the alliance. In particular, he was praised for his commitment to the alliance.

Washington was forsaking Europe to build closer ties with Asia.

Although doubts persist about America's long-term staying power here, European leaders were reassured by Mr. Clinton, who said he made his first trip to Europe because "the security of the North Atlantic region is vital to the security of the United States."

"I warmly welcome the renewed commitment by the United States," Prime Minister John Major of Britain told fellow leaders. In particular, he praised Mr. Clinton's pledge, made in a speech here Sunday night and repeated to

heads of state Monday, to maintain about 100,000 U.S. troops in Europe.

"NATO has been vital to the trans-Atlantic relationship," Mr. Major said, "and the American contribution continues to be vital to NATO."

"It was a very clear and unambiguous statement," Foreign Minister Niels Helveg Petersen of Denmark said of Mr. Clinton's stance. "The American commitment to Europe is totally unweakened and will continue."

Even France, for long the wild card in the 16-

See CLINTON, Page 4

Sarajevo May Soon Get a Taste of Luxury: Tap Water

By Chuck Sudetic

SARAJEVO, Bosnia-Herzegovina — For more than a year, the simple act of drawing a glassful of precious water here has meant risking life itself.

But now, after months of secret design, construction and transport of boxcar-size purification and pumping systems, a U.S. aid agency is ready to turn on the taps in the homes of thousands who have been parched since the summer of 1992, when Serbs began cutting power to pumps that deliver water from a spring behind the Serbian lines.

"Last winter I came here and saw thousands of people carrying water canisters down to the river through the snow, and I said to myself, 'This is stupid,'" said Fred Cmy, a disaster-relief worker from Texas who heads the water project

directed by the New York-based International Rescue Committee. "Ninety percent of the people killed in Sarajevo got killed in the zone right along the river which is most exposed to shelling and sniper fire."

Bombardments by Serbian forces entrenched in the mountains are aimed at crowds waiting to fill plastic containers at public water distribution points that are sometimes miles from their homes. Thousands of civilians have been wounded and hundreds killed.

Sometimes, trapped by fighting in areas far from distribution points, people have resorted to drawing water directly from the murky Miljacka River, which also serves as a sewer for people upstream. Other people have had to hand-pump water of dubious quality from shallow wells sunk near the river

bank. Water-borne ailments, including hepatitis, have been a constant problem.

But the Miljacka will be the source of the new \$2.5 million treatment system. If the water proves to be safe in quality tests, the city water authorities said they would allow the valves to open, sending water into Sarajevo pipes.

Because of fears of sabotage, the water project has been shrouded in secrecy since the five huge modules containing pumps and purification machinery were ready for delivery from Houston over the summer.

"We've been shelled and fired on at one of the sites," Mr. Cmy said, speaking inside a tunnel where three of the modules have been set up. "One policeman was killed nearby."

The modules had to be specially designed to fit into a C-

See WATER, Page 4

Wading Into Italy's Muddle, Pope Defends Old Order

By Alan Cowell

ROME — At the start of a decisive week, Pope John Paul II launched himself combatively into Italy's muddled political debate Monday, urging Italians to choose a Christian value, rather than a secular one, and see some good in a political elite disgraced by Europe's worst corruption scandal.

The papal intervention, in a letter to Italian bishops, came two days before a parliamentary confidence vote expected to begin the campaign to elections that will force new political lineups on a country whose old guard has disintegrated, yet whose newcomers are still casting about for allies.

In the most recent showing of electoral strength, groupings backed by the former Communist Party, the Democratic Party of the Left, scored heavily in mayoral votes last year against strong rightist challenges.

The focus of attention now is whether rightists — most notably neofascists, the Northern League and the media magnate Silvio Berlusconi — can forge some united and credible challenge to the former Communists as they seek to cast themselves as the political mainstream.

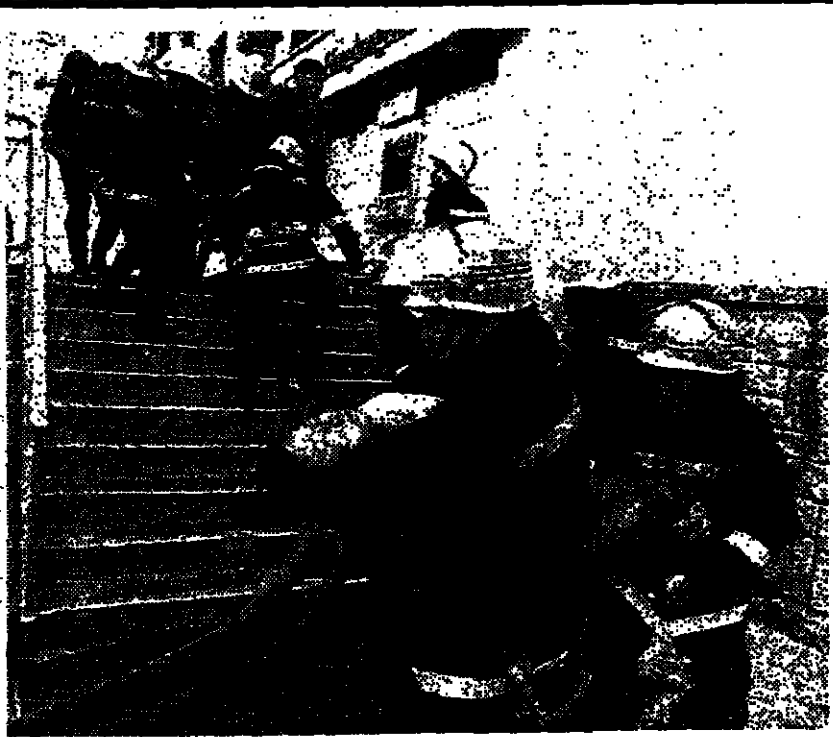
In a land that is 97 percent Roman Catholic, the church has long exercised a strong pull on politics, openly counseling its followers for decades to support the once-dominant Christian Democracy as a bulwark against communism.

The Christian Democrats, along with their Socialist allies, have, however, been at the center of almost two years of kickback investigations that have revealed an institutionalized system of bribes paid to politicians and their parties in return for contracts and favors.

The fall of the Christian Democrats has left the Vatican to ponder how it should advise Catholics to vote in early elections expected in March or April, at which many tainted legislators are expected to be thrown from office.

While the Pope refrained from endorsing any specific party, his letter to Italian bishops in his role of Primate of Italy seemed to tilt directly at the former Communists and the federalist Northern League, while urging Italians to favor those few Christian Democrats who have es-

See POPE, Page 2



HONG KONG ARSON — Fire fighters carrying an injured woman from a branch of the Hongkong and Shanghai Bank on Monday. Two people died after a man set fire to the bank. The police said the man, 32, apparently had had a dispute with a banker.

Kiosk Bosnia and Croatia Back New Truce

BONN (AFP) — President Franjo Tudjman of Croatia and President Alija Izetbegovic of Bosnia agreed here Monday on a ceasefire in central Bosnia-Herzegovina, spokesmen for their delegations said.

Under the verbal agreement, their two commanders in the field, General Rasim Dolic for the mainly Muslim Bosnian government forces and General Ante Roso, a Bosnian Croat, were to meet immediately with the commander of the United Nations forces in Bosnia, Lieutenant General Francis Briquemont, to establish the cease-fire on the ground, a Bosnian source said.

The two sides also agreed to meet on Wednesday to discuss the status of the disputed city of Mostar before they end their two days of talks.

Earlier article, Page 4

Books Page 4
Chess Page 4
Crossword Page 18
Weather Page 18

Why \$500 Million Mars Probe May Have Fizzled at the Finish

By Kathy Sawyer

WASHINGTON — Seven months before the launching of NASA's Mars Observer, managers made a change in the flight plan that might have caused the \$500 million spacecraft to vanish Aug. 21 on reaching the red planet, according to sources familiar with the program.

Instead of pressurizing the craft's propellant tanks five days after the launching, as originally planned, managers at the National Aeronautics and Space Administration decided to delay the procedure for 11 months — until the Observer reached Mars. They did so, ironically, to avert a potentially serious leak, officials said.

But the valves had not been designed to operate under the altered conditions, the sources said, and the result was probably an even worse leak that caused a catastrophic

rupture in a fuel line and spun the craft out of control. The change in plan did not come up during a press briefing last Wednesday at NASA headquarters, where an independent investigating panel reported its conclusions about what happened to the spacecraft and why.

Sources familiar with the program expressed surprise that mention of this management decision was omitted from the briefing and also from the report's executive summary and overview that was released to the press.

The change was described, however, deep inside the report's four-volume documentation, which is eight inches (20 centimeters) thick. It was not released to the press but was available for review at NASA headquarters.

Timothy Coffey, chairman of the investigating board, was traveling and not available for comment, his office said. Others on the panel said they were not sure why the

management decision to delay pressurizing the tanks was not mentioned.

The disappearance of the Observer is one of several embarrassing NASA setbacks in recent years. In 1989, it launched the Hubble Space Telescope with what was later found to be a faulty mirror; corrective optics were installed in a spectacular spacewalk mission last month. And about the same time that the Observer disappeared, the antenna on the Galileo probe to Jupiter malfunctioned. NASA also has been plagued by cost overruns on its space station project.

The decision to change the pressurization plan for the Mars probe was made in February 1992 because someone reminded the team that a similar propulsion system used on the Viking missions to Mars in the late 1970s had run into leakage problems when the fuel tanks were pressurized early in the flights. Glenn E. Cunningham, Mars Observer project

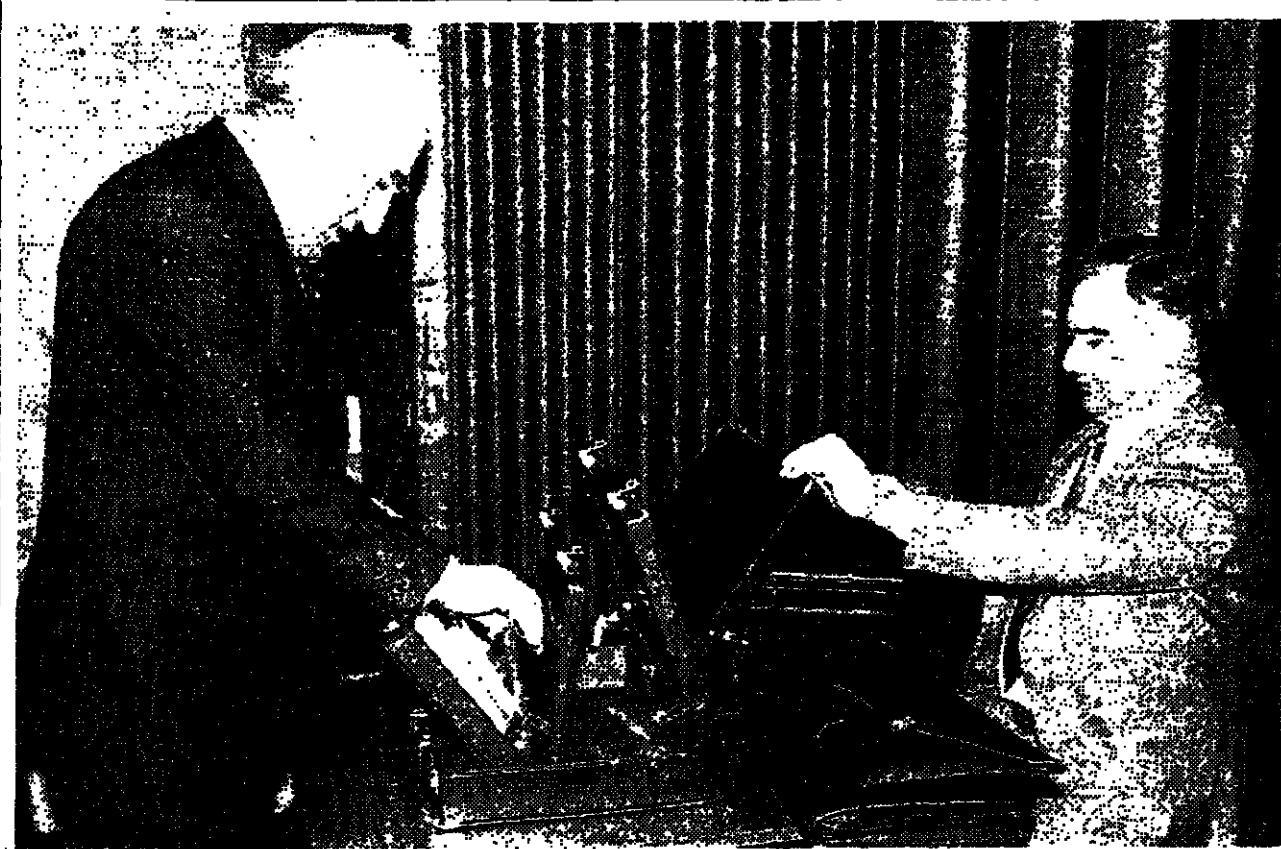
manager at the Jet Propulsion Laboratory in Pasadena, confirmed last week.

As to why this concern developed so late in the program — after it was too late to make what would have been a simple mechanical fix and still meet the launch date — Mr. Cunningham said, "That's the \$64 question."

The decision to delay pressurization was not questioned by anyone at the contractor firm, the Jet Propulsion Laboratory or NASA headquarters. "With benefit of 20-20 hindsight," Mr. Cunningham said, "it appears that probably all of us did not do as much analysis on this new condition as probably should have been done."

Controllers lost contact with the Observer late on Aug. 21 while trying to perform the procedure they had decided to delay: pressurizing the propellant tanks. The tanks have to

See NASA, Page 4



Deputies of the new Russian parliament, which opens Tuesday, checking attaché cases with which they were presented Monday.

Russia Breaks Off Talks With Latvia on Troops

Agence France-Press
MOSCOW — Russia broke off negotiations on the withdrawal of its troops from Latvia following the arrest of two Russian generals in the Baltic republic, the Baltic News Service reported.

Generals Nikolai Tailakov and Anatoli Vodopianov were arrested after an argument with the mayor of a town near Riga over the future of a nearby Russian military base.

The two officers are expected to be expelled from Latvia, the agency said, but a

Russian defense ministry spokesman said they were still in Riga.

Russia's Itar-Tass news agency reported earlier Monday that the talks were expected to be given a boost by this week's meeting in Moscow between Presidents Boris N. Yeltsin and Bill Clinton.

Moscow and Riga have agreed that the 20,000 Russian troops stationed on Latvian soil must pull out by Aug. 31, but discussions have stalled on the fate of the Skrunda radar station.

Russia wants the facility, a key element in its anti-air defense system, to be retained for six years after the pullout. Latvia originally demanded that it be dismantled at the same time as the troop withdrawal, but Itar-Tass said Riga had drawn up a compromise proposal, of which it had released no details.

Apart from Latvia, Russia still has 3,750 troops in Estonia. It pulled all its forces out of Lithuania last year following the independence of the three Baltic states from the former Soviet Union.

Somalia Backslides Into Lawlessness

International Aid Efforts Are Called Into Question

By Donatella Lorch

New York Times Service

NAIROBI — Less than three months before the American troop withdrawal from Somalia is scheduled to be completed, ever-growing banditry, attacks on relief workers and the rearming of clan-based factions are putting into question the future role of the United Nations and relief agencies, American and UN officials say.

A senior UN official said last week that the organization planned to reduce its troop strength from 28,000 to about 15,000 after the U.S. pullout, which is to be complete by March 31. By that time, the other Western contingents as well as the large Turkish force will have withdrawn, leaving the Pakistani and Indian contingents as the main guarantors of security for UN and relief-agency operations.

UN officials have expressed hope that a Somali police force, now being trained, will help maintain order. But senior UN and American officials are concerned that a sharp decrease in UN military power will only open the way to greater violence.

"There are distressing signs of a deterioration in security throughout southern Somalia," a senior UN official in Mogadishu warned. "Any indication of an early UN withdrawal will almost certainly trigger a feeding frenzy as looters seek to grab UN and relief agency resources before they're gone."

Rival Somali factions have been jockeying, both militarily and politically, for the upper hand in negotiations intended to produce a transitional national council that could be selected by the end of January, becoming the first Somali government since the civil war began in 1991.

But the Somali factions remain deeply divided. In November, a conference sponsored by the Ethiopian government ended in a stalemate as General Mohammed Farah Aidid's Somali National Al-

fiance and a rival group of 12 other factions were unable to agree on an agenda for political reconstruction.

Although the Aidid faction and its opponents are maintaining some form of contact at senior levels, they are rapidly rearming. American officials say. These officials are particularly worried about the repeated visits to Sudan by General Aidid's chief ally, Colonel Omar Jess. The fundamentalist Islamic government in Sudan has been accused by Western diplomats of supplying General Aidid with weapons.

The United Nations announced Thursday that it planned to decentralize its Somali operations, by-passing the capital as much as possible.

Since the American-led international intervention began just over a year ago, Mogadishu, with its port and airport, has been the center of the military and relief operation. But the United Nations has been trying to shift its efforts toward regions that are relatively secure and stable. In Mogadishu, UN and relief vehicles are regularly shot at and hijacked.

In the last month, however, attacks against relief agencies and the United Nations have grown, even in the once-stable towns of Baidoa and Bardera. It is unclear whether these attacks are random banditry or in some cases clan-based or backed by a growing Islamic fundamentalist movement, American officials in Mogadishu say.

In the southern port city of Kisumu, the clan militias are testing the resolve of the Indian forces by wandering armed around the town at night. There is interclan fighting around the town of Brava, southwest of the capital.

Relief officials say they are increasingly threatened in their work. To dismiss a Somali employee, or even to argue over a rent increase, or the price of fuel, is to invite a death threat, relief officials say.

WORLD BRIEFS

Israel Says Gaza and Jericho Pullout Might Not Be Ready by April Target

TABA, Egypt (AP) — Israel and the PLO may not meet an April 13 deadline for the full withdrawal of Israeli troops from the Gaza Strip and the West Bank town of Jericho, Foreign Minister Shimon Peres of Israel said Monday.

Mr. Peres made the observation as Israeli and Palestinian negotiators reconvened in the Egyptian resort of Taba after a three-week break brought on by differences, principally over border security.

The Palestinian chief delegate, Nabil Shaath, however, said that agreement could be reached in three weeks and insisted that the April 13 deadline be met. "If we're going to play havoc with this date we are going to play havoc with the whole agreement," he said before entering talks.

Mr. Peres, in Jerusalem, stressed that the original accord between Israel and the PLO did not contain a specific date, but only a four-month period for carrying out a detailed agreement on withdrawal. "So the first target should be the signing of the agreement, and then we shall have four months to implement it," Mr. Peres said. Israel, he added, would try to make the withdrawal before the summer. But he said that would depend on the Palestinian positions in the negotiations as well.

China Is Accused of Abetting Piracy

LONDON (Reuters) — The International Maritime Bureau said Monday that a state of Asian piracy involving Chinese naval vessels was "government-inspired" and was linked with the territorial dispute over the Spratly Islands in the South China Sea.

"There is no doubt that these moves against ships operating in international waters were government-inspired," said the bureau's director, Eric Ellen. The Spratlys are claimed by China, along with Taiwan, Malaysia, the Philippines, Taiwan and Vietnam.

The Chinese say they are trying to stop smuggling, but they are actually interfering with the legal rights of ships on the high seas, Mr. Ellen said. He said uniformed men identifying themselves as Chinese had seized vessels illegally and confiscated their cargoes.

Walesa Won't Keep Zhirinovskiy Out

WARSAW (APF) — President Lech Walesa of Poland said Monday that he would not stop the Russian nationalist leader, Vladimir V. Zhirinovskiy, from visiting Poland, but that neither he nor any of his allies would meet him.

Polish television reported Sunday that Mr. Zhirinovskiy had been invited to visit Jan. 15-20 by a Polish industrialist, Jacek Bryczowski, who is also the founder of the National Self-Defense Front, a small extremist party.

Mr. Walesa said that Poland was a "free country" and that he had no intention of preventing visits of this kind. But he said any costs — for example, extra police to prevent public disturbances — would have to be borne by the person who invited Mr. Zhirinovskiy, not by the taxpayer.

Vietnam Agrees to U.S. Rights Parley

WASHINGTON (Reuters) — Vietnam has agreed to a begin a dialogue with the United States this month over allegations of human rights abuses in the Communist country, U.S. and Vietnamese officials said Monday.

In the latest sign of a thaw, the two countries, which do not have diplomatic relations, have agreed to meet in New York for the dialogue, the officials said.

U.S. concerns over human rights in Vietnam have been overshadowed by Washington's push for the fullest possible accounting for the 2,239 U.S. servicemen still listed as missing in Southeast Asia.

South African Police Raid Hostel

JOHANNESBURG (AP) — Police on Monday raided a worker hostel in search of the gunman who killed a journalist covering a high-level ANC tour, but Nelson Mandela demanded broader measures from President F.W. de Klerk to quell township violence. One man was arrested.

Abdul Shariff, 31, a South African free-lance photographer on assignment for The Associated Press, was shot and killed Sunday in Kaitleng, one of South Africa's most violent townships. Two other journalists were wounded in a battle that began after shots were fired from a workers' hostel and police shot and killed a township resident.

Secretary-General Cyril Ramaphosa of the African National Congress and Joe Slovo, the Communist Party leader, who had led a peace delegation into Kaitleng, were quickly moved to safety after the shooting broke out. They later confirmed their tour. The hostel was believed to house more than 2,000 people.

TRAVEL UPDATE

Dike Breached in Southern France

MARSEILLE (APF) — Hundreds of fire fighters and soldiers struggled Monday to plug a breached dike in the Rhone River Delta near here as flood waters poured onto rice fields in the Camargue region.

Meanwhile, the death toll in the floods since December rose on Monday to 9 after the body of a 10-year-old boy was found. He had been swept out of his mother's car on Friday by the waters of the Nesque river near Venasque, in the Vaucluse department.

In western France, the levels of the Charente and Boutonne rivers dropped slightly, but the town of Saintes remained flooded.

Istanbul authorities imposed anti-smog restrictions on the city after air pollution during the weekend exceeded by nearly seven times the danger levels set by the World Health Organization.

British Airways is to begin daily nonstop service between London's Gatwick Airport and Charlotte, North Carolina, on Jan. 20. (Reuters)

United Airlines and Lufthansa German Airlines announced Monday that beginning this month, members of each airline's mileage programs can accrue credit on any flight operated by the two airlines anywhere in the world. (APF)

A new air service between London's City Airport and Dublin was started Monday by the Virgin group and the Irish carrier CityJet, in a move to cut travel time between the two cities. (Reuters)

Alitalia Airlines pilots called a one-day strike for Tuesday to protest a pay freeze and cutbacks due to restructuring. The pilots said most flights would be canceled. (Reuters)

Pressing Airport Project, Hong Kong Shaves Cost

HONG KONG — Hong Kong shaved the cost of the colony's huge new airport project on Monday but warned China that the price could climb again unless a long-running deadlock on funding plans can be broken soon.

The government is expected to seek approval from the Legislative Council to push on with the project despite Beijing's opposition.

A government spokesman said the total cost of the airport, excluding borrowing costs, had been cut by 5.5 billion Hong Kong dollars (\$712 million) to 158.2 billion dollars. The savings were mainly due to work on bridges, roads and land reclamation coming in under cost, he said.

"The bad news is the longer we take to reach agreement, the greater the risk of costs going up," said the spokesman, referring to the dispute with China over the airport.

Weather Shifts, Slowing Australia Fires

Compiled by Our Staff From Dispatches
SYDNEY — Lower temperatures and lighter winds finally gave 10,000 fire fighters a chance Monday to go on the offensive against 136 forest fires blazing across southeast Australia.

The fires had been so fierce for several days that fire fighters had no chance of putting them out and could only try to save lives and property. With better weather conditions on Monday, many of the fires were contained or slowed.

As more than 100 fires continued to burn in the state of New South Wales, fire crews undertook widespread tactical burning operations to deprive the fires of fuel before the weather turned.

"Now we are fighting back," a fire services spokesman said.

For the first time since Friday, Sydney was not blanketed in thick haze. But authorities stopped short of declaring victory.

"Every thing is under control but the fires are not out," said Phil Kopeberg, director of the New South Wales Department of Bushfire Services. "The difference could depend on a quick change of temperature and wind."

Four people have died in the fires, about 1.5 million acres (600,000 hectares) of forest and grassland have been scorched, and at least 185 homes and 30 other buildings destroyed.

Thousands of people have been treated for smoke inhalation and burns, and hundreds have been hospitalized.

Light rain fell on Monday, but it wasn't enough to put out the flames. Fire fighters also cut firebreaks and used helicopters to drop water on the fires.

"We've been waiting for this opportunity for days," said a spokeswoman for the Department of Bushfire Services, Laurie Power. "But it's not over yet."

Meteorologists warned that high

temperatures and gusty winds could return by the end of the week.

Insurance companies estimated the damage to homes at \$68 million, plus \$34 million lost in infrastructure and forests.

Police suspect more than half the blazes were set by arsonists.

Two people have been charged with arson. If convicted they could be imprisoned for 25 years. (AP, Reuters)



A woman comforting her daughter Monday as they viewed the remains of a primary school that burned on the outskirts of Sydney.

POPE: Wading Into the Muddle, Pontiff Makes a Plea for the Old Order

Continued from Page 1

caped the corruption inquiries.

"The presence of lay Christians in social and political life was important not only to oppose various forms of totalitarianism, beginning with communism," the Pope said in a reference to the Christian Democrats.

He also took issue with the way Italy's agenda over the last two years has largely been set by investigating magistrates in Milan who have called the one-time elite to task for what now seems to have been a runaway system of underhand dealings whose billion-dollar scale has stunned all but the most cynical.

"It is clear that the decision affecting the future of a well-ordered society cannot be placed solely in the hands of the judicial authorities," the pontiff said.

In urging Italians to make what

he called "an honest and true assessment" of the postwar era, when Italy propelled itself into ruin-riches growth, the Pope seemed to be making a passionate appeal for Italians not to be swayed by those now denouncing the old order.

"One cannot forget all those significant achievements that have made Italy one of the world's seven most developed countries," he said.

In essence, the Pope's message seemed to reflect some alarm in the Vatican, and its timing and content immediately drew criticism that he was meddling — charges the Vatican denied.

"The Pope is a citizen of another state and should not concern himself with Italian politics," said a spokesman for the Northern League, which has wide support in the wealthy north of the country and has frequently locked horns with the Catholic Church, calling it

the spiritual legitimator of a corrupt order.

On Wednesday, Parliament is scheduled to debate a vote of no-confidence in the government of Prime Minister Carlo Azeglio Ciampi. Thereafter, according to Italian political commentators, President Oscar Luigi Scalfaro may dissolve the legislature to make way for new elections in late March or early April.

The prospect has galvanized Italy's over-fractional politicians. Umberto Bossi, the head of the Northern League, said at the weekend that it might be necessary to "cut a deal" with other rightist groups to oppose the former Communists and soften its stand on federalism to do so.

"We can't dig in our heels on federalism," Mr. Bossi said in a major departure from the line that has made him the champion of

northerners pressing for greater fiscal autonomy.

Mr. Berlusconi, one of the few Italian tycoons to have avoided known implication in the corruption inquiry, is putting himself forward as a standard-bearer of a new right. "Everything is now moving in the direction of a possible alternative" to the former Communists, he said.

Underlying the maneuvering is another investigative time bomb. Former members of Italy's secret services have accused several former interior ministers and politicians, including Mr. Scalfaro himself, of either participating in or covering up clandestine payments from intelligence agencies to government ministers.

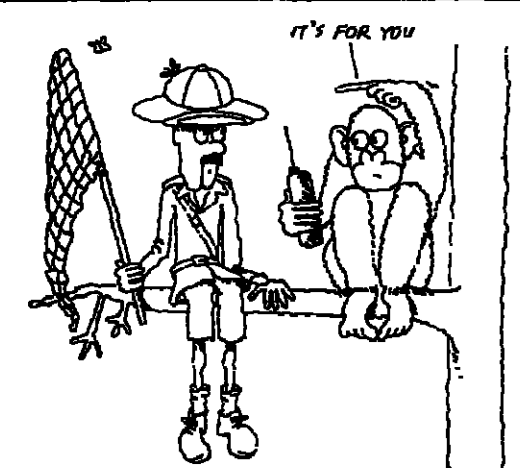
A further twist to the no-confidence vote is that parliament is still largely made up of politicians from parties heavily implicated in the bribery scandal.

With MCI CALL USA and MCI WORLD REACH services, reaching around the world has never been easier.

To reach around the world, use your MCI Card or call collect. Just select the number next to the country you're calling from. An English-speaking operator will put your call through to anywhere in the 50 States as well as a growing list of participating World Reach countries:

Austria	022 503 012	Ecuador	170	Italy	172 1022	Saudi Arabia	1-800-11
Belgium	018 001 12	Egypt	355 5270	Jamaica	080011	Slovak Rep	00-42-00012
Bolivia	01 800 7272	Finland	0800 103-80	Kuwait	800-800 624	Spain	900-99 0016
Brazil	011 8012	France	17 00-19	Lebanon	425 035	Sweden	020-95 922
Canada	011 0195	Germany	0150 0012	Netherlands	06 022 31-22	Switzerland	055-0222
Colombia	290 16 0501	Greece	00 800-121	Norway	050 1292	Turkey	99-0011-177
Czech Rep	080 200000	Hungary	00 800-0141	Peru	001-190	UAE	800-111
Denmark	80 42 00012	Ireland	000-177	Poland	0101-94-800-222	United Kingdom	0800-89-0222
Dominican Republic	3031 0022	Israel	1-800-551-001	Portugal	05 017-1234	Uruguay	800 412
						Venezuela	800 114-0

*Call to U.S. toll-free number may not be available to U.S. from all MCI CALL USA locations. Certain restrictions apply. *Wait for second dial tone. *Notable from most major cities. *When dialing outside of U.S., dial 01 first. *When dialing outside of U.S., the access number is 190. *Unlimited availability. *Collect calls to U.S. only. *In some countries, public phones may require deposit of coin or phone card for dial tone. *Service from public telephones may be limited. *Rate depends on call origin in Mexico. *Service available on a limited basis in eastern Germany as MCI International, Inc., 1995. *MCI's logo and all other MCI products and services mentioned herein are proprietary marks of MCI Communications Corporation.



Michael answers the call of the wild.

MCI

THE AMERICAS / TESTING THE GAMES

In America's Fling With Casinos, Big Risk Is Gaming's Ultimate Social Cost

By Peter Applebome
New York Times Service

BILOXI, Mississippi — Anyone who doubts the astonishing economic effect of the headlong dash toward legalized gambling in the United States should come to this quirky hodgepodge of moss-draped live oaks and white-columned mansions, ragged beach and cheap bars that has been turned into a boom area by the arrival of eight major casinos over the last two years.

But if the Mississippi Gulf Coast from Biloxi to Bay St. Louis is a revealing window onto the economic power of legalized gambling, which has tripled in a decade to a \$30 billion business nationwide, its experience is also raising two questions with equally nationwide implications: how many communities can expect to make money on gambling — and at what cost?

To proponents of gambling, the boom along this 35-mile (55-kilometer) stretch of Gulf Coast, once defined by modest tourist attractions like pastel-colored souvenir shops, garish miniature golf courses and mom-and-pop seafood joints, is proof of what a powerful economic engine gambling has become.

"Right now, we feel like we're probably the hottest spot in the United States for growth," said Chevis Swetnam,

president of People's Bank in Biloxi, "and when was the last time you heard Mississippi being No. 1 in anything?"

At one point recently in Biloxi, 28 construction cranes towered over the Gulf shore. But with plans to triple the number of gaming establishments here and to build the world's biggest casino and nine riverboat casinos 60 miles down the coast in New Orleans, and similar proposals sprouting from neighboring Mobile, Alabama, all the way north to Chicago, many economists are asking how many areas can realistically expect to cash in on gambling. As many as 90 riverboat and dockside casinos could be operating around the country within two years.

"There's probably not a major city in the United States that's not considering gambling," said Tim Ryan, dean of the college of business administration at the University of New Orleans. "It's an incredible explosion of gambling. This market is going to be saturated. It may already be saturated."

And if the Gulf Coast shows the economic potential of gambling to produce jobs and tax revenue, it also shows the risks, both in businesses displaced and lives ruined. Already, social service agencies and courts are seeing marriages destroyed or residents sinking into debt because of problem gambling.

"It's my observation that there's a lot of wreckage coming out of this gambling business here," said Judge William L. Stewart of Chancery Court in nearby Gulfport, who said he has already seen at least 20 divorces and numerous failures to pay child support as a result of gambling losses.

When a casino boat called the Europa Star began trips into the Gulf a few years back to offer dockside gambling, it struck more than a few people as a rather forlorn effort to be a poor man's Las Vegas. No one is laughing now.

In Harrison County, home of Biloxi and seven of the eight casinos, the value of building permits for the first eight months of 1993 surged by 325 percent over the same period in 1992, growing from \$11 million to \$102 million. Unemployment fell from 7.1 percent in 1992 to 4.2 percent in 1993.

The gaming establishments in Biloxi, all dockside casinos in elaborate buildings, have already created more than 11,000 jobs. The 13 casinos operating in November in Mississippi produced \$80 million in revenues. There are now 17 casinos open, producing a tax bonanza for the state and local governments.

In neighboring Hancock County, one project, Casino Magic in Bay St. Louis, bills itself as the largest dockside

casino development in the world. Owners say the 530-acre (213-hectare) project will eventually include a 1,500-room hotel, 5,000-seat auditorium, convention center, a park for house trailers and a golf course. The casino itself features 68 gambling tables for games like blackjack, roulette, and poker and more than 1,100 slot machines.

Despite success that has exceeded all expectations here, residents may be more uneasy about gambling now than when it began.

The shrinking business, once the dominant industry on the coast, is being forced out by casinos taking over the docks, leaving no room for shrimp boats and closing shrimp-processing plants and ice plants. And despite the influx of visitors, some other tourism-related businesses say the casinos have siphoned off their business.

Louis Skremeta's Ship Island Excursions is a 66-year-old family-owned business that hauls tourists to an offshore barrier island. After years of steady growth, business fell 10 percent last year, Mr. Skremeta said.

"Now that the casinos are here," he said, "I think a lot of people would like to vote them out."

And, if gambling is an affordable recreation for most customers, with slot machines as cheap as 5 cents, gambling problems are soaring here. The number of Gamblers

Anonymous Chapters has grown from none to five, and counselors at Recovery Resources, a private center that helps compulsive gamblers, say they are seeing an increasing number of middle-income people who have piled up debts in the \$25,000-to-\$35,000 range, taken second mortgages on homes and emptied savings or retirement accounts.

One 31-year-old waitress and mother of two said she has been a casual bingo player before the gaming halls arrived, but with big-time casinos so convenient found herself gambling her whole paycheck and savings before she sought help.

"It got to the point I was going almost every day," she said. "It's like those machines hypnotize you. I used to dream about them at night, ching, ching, ching, the sound of the slots."

Still, few doubt the overall economic impact thus far has been positive.

Dianne Harsenki, a member of the Biloxi City Council, said the city had expected a half million dollars a month in revenues from its casino tax. The figure for the most recent month was \$1.2 million. That has allowed the city to buy seven police cars and two fire trucks, and plan major capital projects that had been needed for years.

POLITICAL VOICES

Wider Inquiry Is Urged In Human Experiments

WASHINGTON — The Clinton administration is being pressed to delve deeper into the record of U.S. government research using human subjects, perhaps opening a comprehensive review of the nation's research ethics during the past half century.

What began as a discussion of radiation experiments related to the nuclear weapons program during the Cold War, and promoted by Energy Secretary Hazel R. O'Leary as part of an initiative to reveal her agency's atomic secrets, has expanded to include radiation experiments conducted by several agencies and involving thousands of subjects.

The administration has promised a thorough search of records by the Energy Department, the Defense Department, the National Aeronautics and Space Administration, the CIA and federal health agencies on research involving human subjects who were exposed to radiation, often without their knowledge. Many of the experiments were done for medical reasons, not in the name of national security.

Although much about the research has been known in academic and scientific circles for decades, its troubling history is only now getting widespread public recognition, in part because the administration has pledged an investigation. Now, politicians and public interest groups are beginning to suggest that fully understanding that research may call for an examination that focuses not just on radiation, but on broader ethical questions.

Senator John Glenn, Democrat of Ohio and chairman of the Governmental Affairs Committee, said he would schedule hearings into the testing, and he called for a full investigation of all human experiments up to the present day.

"Let me make myself clear: I am talking about more than radiation testing," Mr. Glenn said. "I am calling for a government-wide review of all testing programs, from drug tests at the Food and Drug Administration to military tests at the Defense Department, to determine if any improper experiments on humans persist to this day." (NYT)

Clinton Furious Over Directive He Never Saw

WASHINGTON — The administration's plan to require Medicaid coverage of abortions in cases of rape or incest was disclosed before anyone had told President Bill Clinton of the order, and he was furious at its premature disclosure, according to administration officials.

On Dec. 28, three days after disclosure of the plan, the Department of Health and Human Services sent letters to officials in all states saying their Medicaid programs must finance abortions for low-income women in cases of rape or incest. Medicaid is the federal-state program that provides health care for poor people.

Time magazine reported this week that Mr. Clinton said he was shocked to learn of the directive. It quoted Mr. Clinton as saying in an interview: "There was no decision by me. It never came to the Oval Office. I'm going to find out what happened, why it happened, and then we'll see."

Officials at the Department of Health and Human Services said they had sent a draft of the directive to the White House before it was disclosed. But White House officials evidently did not take notice of it.

In any event, Medicaid officials said they had no discretion in the matter. Under an appropriations bill approved by Congress and signed by Mr. Clinton in October, they said, federal funds are available for abortions in cases of rape or incest, and states must contribute to the cost of the procedure in such cases.

U.S. government health officials said the president was not angry about the content of this directive, but was distressed over the way it had been disclosed.

The secretary of health and human services, Donna E. Shalala, said: "I was as angry as the president. We all hate leaks. The problem was the leak." (NYT)

Quote/Unquote

President Clinton as he told the NATO allies of his plans for a military Partnership for Peace with former Warsaw Pact nations: "Let me say here to the people in Europe's East, we share with you a common destiny and we are committed to your success. The democratic community has grown and now it is time to begin welcoming these newcomers to our neighborhood." (AP)

Away From Politics

- Lorena Bobbitt went on trial for severing her husband's penis in an assault her lawyers said was prompted by an "irresistible impulse" after repeated beating and rape by her husband. Her lawyer said John Wayne Bobbitt's penis had become a symbol of a "reign of terror" forced on the petite, 24-year-old woman and cutting it off was an act of escape. The lawyer said the trial in Manassas, Virginia, would show that "a life is more valuable than a penis." Mr. Bobbitt, an ex-Marine, was found not guilty in November of raping his wife.
- A mild earthquake shook parts of Los Angeles, setting off air alarms, rattling glasses and startling residents but causing no serious damage. The quake registered 3.7 on the Richter scale and was centered off the coast.
- The American Historical Association will move its 1995 conference out of Cincinnati because that city's charter forbids laws to protect homosexuals. The organization said it would not hold its meeting in cities where its members could be subject to discrimination. Voters amended the charter in November to bar the City Council from enacting or enforcing laws that give equal protection to homosexuals who seek employment, housing or public accommodations. A federal judge has blocked implementation of the amendment pending trial of a lawsuit filed by gay-rights activists.
- The Coast Guard and private contractors gained the upper hand on an oil spill that stalled the beaches in San Juan, Puerto Rico, and threatened its tourist industry. The Coast Guard reported that in the first two and a half days since a barge hit a coral reef 300 yards offshore, nearly 100,000 of the 750,000 gallons of oil disgorged into the Atlantic had been recovered.

Clinton Nominee Retracts Name for Peacekeeping Post

By Eric Schmitt
New York Times Service

WASHINGTON — Morton H. Halperin, President Bill Clinton's embattled choice to fill a new Pentagon position to direct peacekeeping policy, has withdrawn his name for the job, according to administration officials.

The nomination of Mr. Halperin, 55, a former director of the Washington office of the American Civil Liberties Union, stirred a level of passion unusual for a midlevel post, as conservatives attacked the liberal positions he had staked out through three decades. Mr. Halperin reversed his initial support of the Vietnam War, fought with the Nixon administration during the Watergate scandals and criticized many U.S. spying operations abroad.

But his chances to be assistant secretary of defense for democracy and peacekeeping fell victim not only to resistance on the Senate Armed Services Committee in November but also to the reshaping of the president's much-criticized foreign policy team. The nomination also promised to complicate the Senate confirmation hearings of Bobby Ray Inman, Mr. Clinton's choice to succeed Defense Secretary Les Aspin, who is resigning.

Mr. Halperin's nomination formally expired in November, when the Senate did not act on it before adjourning. At the time, the White House expressed confidence in his qualifications and said it would resubmit his nomination when Congress reconvened later this month. Administration officials said they had anticipated a tough fight but believed they would prevail.

Then in December, Mr. Aspin, Mr. Halperin's patron and biggest supporter in the administration, announced that he would resign effective Jan. 20. Mr. Aspin had hoped to use unconventional new posts like the peacekeeping one to reshape U.S. international relations in the post-Cold War world.

Mr. Aspin's designated successor, Mr. Inman, has praised Mr. Halperin but also raised doubts about whether the job he was to



Members of the press, which has been denied access to the fighting by the government, at an army roadblock near San Cristobal.

Salinas Aide From Embattled State Quits

MEXICO CITY — President Carlos Salinas de Gortari announced Monday the resignation of his interior minister and named a special envoy to seek a settlement in the uprising in the southeastern state of Chiapas.

Mr. Salinas, in a speech to the nation, said Patricio Gonzalez Blanco Garrido, a former governor of Chiapas who has been cited in reports of human rights abuses, would be replaced as interior minister by Attorney General Jorge Carpizo.

Foreign Minister Manuel Camacho Solis was appointed head of a commission for peace and reconciliation in Chiapas.

It was not immediately clear whether the government had demanded the resignation of Mr. Gonzalez, who had been in the post for a year. The government rarely comments publicly on the reasons for cabinet changes, and no official explanation was given for Mr. Gonzalez's decision to step down.

Rebel descendants of Maya Indians, calling themselves the Zapatista National Liberation Army, launched the New Year's Day uprising, which the government says has claimed 100 lives in the impoverished southern state.

The estimated 2,000 peasants, called Zapatistas, say they are fighting to regain their ancestral homelands in Chiapas and have vowed to topple the government.

Shortly after taking over at least six Chiapas cities, they said would advance to Mexico City.

While bombs went off in Mexico City, sporadic fighting was still taking place in Chiapas, where the Mexican military has continued to bombard the peasants' mountain hideouts.

Television reports said paratroopers had been brought into San Cristobal de las Casas to be dropped into remote combat zones.

Leftist groups sympathizing with the Zapatistas exploded bombs over the weekend in Mexico City and Acapulco.

A truck loaded with explosives blew up outside a military compound in Nancayan late Saturday, and three bombs went off below a nearby electrical tower, the police said. No one was injured in the incidents.

The attacks came after a powerful car bomb rocked an underground parking garage in Mexico City before dawn Saturday, injuring one person and causing extensive damage. No one claimed responsibility for the blast but the message "We've arrived" was scrawled on nearby walls.

Samuel Ruiz, the bishop of the embattled San Cristobal diocese, said he had agreed to rebel requests to take part in talks to end the uprising. (AFP, Reuters)

In War on Drugs, the Rotary Connection

By Douglas Martin
New York Times Service

NEW YORK — At Eighth Avenue and West 45th Street are three pay telephones. A man looks at the first, shakes his head and goes to the second. He rolls his eyes and moves to the third. Finally he shrugs, shaves in 25 cents and dials — methodically putting his index finger in the little hole over each number and turning the dial seven times.

"I don't like it," said the man, Jimmie Tumbin. "It takes too long to dial and I've got places to go."

Three decades after buttons began to replace rotary dials on American phones, time has reversed itself at about 250 outdoor pay phones in New York City. Responding to appeals from community groups trying to stop drug dealers from using public phones to do business, the phone company, Nynex, has brought back old-fashioned dialing.

"The rotary dial is a step backward technologically, but it prevents a drug dealer from paying a customer or runner," said Steven Marcus, a Nynex spokesman, who said the change was made as "an absolute last resort," since the phones cannot take advantage of many new services, like voice mail, that rely on push-button phones.

The return to rotary dialing is the most drastic measure in a campaign that began with improving lighting, moving phones away from problem areas, then disabling them so they cannot receive incoming calls. Now Nynex is taking rotary

JOAN SAUNDERS DAVID

london harvey nichols
london harvey nichols
paris 6 rue du faubourg st honoré
paris 6 rue du faubourg st honoré

Environmental Challenge to NAFTA Dies

The Associated Press

WASHINGTON — The Supreme Court on Monday let stand a ruling that allowed the North American Free Trade Agreement to win congressional approval without a formal statement on its likely environmental effects.

The nine justices, without comment, rejected arguments by two citizens' groups that even though their challenge became moot when the treaty was approved in November, the issue remains alive because President Bill Clinton plans to submit a new global trade agreement to Congress this year.

In their 1991 lawsuit, the Sierra Club and Ralph Nader's Public Citizen said the North American agreement would harm air quality in American cities along the Mexican border and jeopardize U.S. laws on recycling, auto emissions and the transportation of hazardous materials. The groups sued under a federal law that allows court review of "final agency action."

A federal judge ruled for the groups in June, but the U.S. Circuit Court of Appeals for the District of Columbia reversed that in September. The president was the central figure in the treaty, the appeals court said, adding that his actions are not "agency action" and thus cannot be reviewed under the federal law.

THE AMERICAN UNIVERSITY OF PARIS

établissement d'enseignement supérieur privé

Special Part-Time Study

Applied Economics, Art History, Comparative Literature, Computer Science, European Studies, French Studies, Int'l Affairs, Int'l Business Administration, Int'l Economics and Modern History

Classes start Jan. 17th.

Call today:
(1) 47 20 44 99

AUP. The American university in Europe.

A WEEK IN THE LIFE OF THE TRIB

Plus daily

Monday MONDAY SPORTS	Thursday HEALTH/SCIENCE	POLITICS AND ECONOMICS	THE ARTS AND SCIENCE	BOOKS AND TRAVEL	A LVELY ARRAY OF COMICS
Tuesday STYLE	Friday LEISURE	BUSINESS AND FINANCE	FOOD AND FASHION	BRIDGE AND CHESS	
Wednesday STAGE ENTERTAINMENT	Saturday-Sunday ART/ THE MONEY REPORT	OPINION AND COMMENTARY	FILM AND THEATER	THE NEW YORK TIMES CROSSWORD	PULITZER PRIZE WINNING FEATURE COLUMNISTS

Don't miss out. Make sure you get your copy of the IHT every day.

Herald Tribune.

Shells Hit Sarajevo as Rivals Meet In Bonn

Reuters

SARAJEVO, Bosnia-Herzegovina — Shells crashed into the center of Sarajevo on Monday, wounding 12 people, while in Brussels, leaders of the North Atlantic Treaty Organization reaffirmed their readiness to launch air strikes to break the Serbian stranglehold on the city.

In Sarajevo, a wire-guided missile fired from the direction of a Serb position hit a residential area near the city center, where in the last week 46 people have been killed.

In central Bosnia, Muslims and Croats continued to struggle for territory, as peace talks by their representatives in Bonn went into a second day.

Talks on ending Bosnia's civil war have often been accompanied by an increase in fighting, as warring sides try to gain greater leverage at the negotiating table.

At least 6 people were killed and more than 50 were wounded in fighting Sunday and Monday near Vitez that began with a Muslim offensive on the Croat enclave they have surrounded. The fighting continued Monday at a lower intensity.

In Bonn, Bosnia's Muslim president, Alija Izetbegovic, and Croatia's president, Franjo Tudjman, held face-to-face talks. Sarajevo radio said these included new initiatives on Muslim access to the sea via Croatia.

Diplomats said a new map had been circulated at the Bonn talks, giving the Muslims just over a third of Bosnia's territory. In Geneva, where full-scale peace negotiations are due to resume Jan. 18, diplomats said the map met the target, set by European Union ministers, of awarding a third of the republic's territory to Muslims under an eventual peace plan.



A woman washing clothes as another Sarajevo resident waited to fill containers at one of the city's water distribution points on Monday.

WATER: U.S. Purification Project May Soon Fill the Pipes in Sarajevo

Continued from Page 1

130," he added, referring to the U.S.-built Hercules cargo aircraft that flew the equipment to Croatia. "We ended up with three inches to spare on either side."

The frequent shelling and sniper fire at Sarajevo's airport also required that the modules be unloaded quickly from the Canadian Air Force planes that flew them into Sarajevo from Zagreb, Croatia.

The modules then had to be driven along a front road and through a Serbian checkpoint.

"The Serbs blocked the stuff at the airport," Mr. Cuny said, "because we weren't doing anything on their side."

"We got the modules in last Au-

gust when the Western nations were talking about bombing," he said. "The Serbs let everything through then."

Financing came from a \$50 million grant from the Soros Foundation, a philanthropic group in New York that has funneled millions of dollars into Eastern Europe. An additional \$2.7 million from the group has enabled 20,000 Sarajevo residents to connect to a natural gas line so they can heat their homes and cook.

Mr. Cuny said the second of the five water modules would be ready to come on line Tuesday. When all five are hooked up, the system will be able to provide a third of the city with 24-hour water service, and more if the 450,000 liters (118,500

gallons) of water the system produces each hour is shunted from one neighborhood to another, he said.

Because the module system runs off its own generator, it is not subject to the vagaries of Sarajevo's power grid. Because it is mobile, it may be transported to other needy areas of Bosnia.

The biggest hitch so far has come from local water-safety inspectors, who have demanded additional testing, although local engineers who took part in the project said the water was potable.

"This is surface water exposed to pollutants and intentional tampering," said Mohammed Zlatar, deputy head of Sarajevo's Institute for

Water, referring to the water from the Miljacka, which has been the subject of jokes among Sarajevo residents.

The consequences of letting in polluted water could be catastrophic, Mr. Zlatar said. "They could be worse than the shelling. We could have 30,000 people come down with stomach diseases, and some of them could die."

"We ask that at least 20 different tests be made before we let the water in," he added.

Walesa Sees 'Step in Right Direction'

Reuters

WARSAW — Poland on Monday gave tentative approval to a NATO plan to increase military links with countries in Eastern Europe.

But the cabinet said the NATO initiative, Partnership for Peace, was less far-reaching than it had hoped. It said that formal approval would be given only after full details were made available at the North Atlantic Treaty Organization summit meeting in Brussels.

"It is a step which is too short,

but in the right direction," President Lech Walesa said at a cabinet meeting.

Hungary and Slovakia have already accepted the plan, which was offered to Russia and other Eastern European states.

Mr. Walesa suggested earlier Monday that NATO agree to a set of membership conditions for Russia, including giving NATO access to its nuclear arsenal.

"I do not know why the world has not asked Russia to put their

nuclear weapons and other terrible weapons at NATO's disposal when they join," he said. "Nobody has dared ask such a question so far."

Mr. Walesa did not suggest exactly how Russian nuclear weapons might be controlled if it joined NATO. But he said offering membership to Russia as well as other former Warsaw Pact members would keep Moscow from being isolated, which is one of the concerns cited by Russian officials opposed to an eastward expansion of NATO.

CLINTON: A Sigh of Relief From European Leaders

Continued from Page 1

member NATO pact and a sharp critic of Mr. Clinton's abortive push for air strikes against Serbian forces in Bosnia last year, had warm words for Mr. Clinton.

President François Mitterrand found a convergence of views on policy toward the former Yugoslavia in a head-to-head talk with Mr. Clinton between official summit meetings, said his spokesman, Jean Mustelli. Mr. Mitterrand welcomed Mr. Clinton's renewed commitment to supply up to 25,000 U.S. troops to help police a Bosnian peace agreement, if one can be reached, as well as his declared support for NATO air strikes in Bosnia if the United Nations calls for them, Mr. Mustelli said.

In addition to the relief in Eu-

rope that Mr. Clinton had reaffirmed a security commitment made by eight previous U.S. presidents over the past half century, European leaders were encouraged by a Clinton departure: his clear support for European efforts to forge its own defense capability.

Chancellor Helmut Kohl said Germany was "very grateful" that Mr. Clinton supported the summit meeting's call for the creation of NATO task forces that could be detached to the Western European Union, the 10-nation defense arm of the European Union.

One senior German official said Mr. Clinton's endorsement of military cooperation among European nations stood in sharp contrast to the administration of former President George Bush, which viewed such efforts with suspicion.

Bonn was not concerned that the new NATO task forces might encourage a further U.S. disengagement from Europe's defense, this official added.

"Nobody knows what it will look like in 10 years," this official said of NATO, "but for now we don't fear that America will leave us alone."

For their part, U.S. officials said they were cheered by the early European reviews of Mr. Clinton's performance.

"It hopefully will put to rest once and for all the feeling that we are either turning away from Europe," said Stuart Eizenstat, the U.S. delegate to the European Union, "or that the United States feels it is better off with a weak European Union than a stronger one."

Catharina Dales, in Dutch Cabinet, Dies

Reuters

AMSTERDAM — Catharina (Tiet) Dales, 62, the Dutch minister of the interior, died overnight of heart failure at her home in Utrecht, her ministry said Monday. She was appointed to Prime Minister Ruud Lubbers's center-

left coalition cabinet in November 1989.

Miss Dales was responsible for negotiating wage deals with the powerful civil service unions and acquired a reputation for driving a hard bargain.

Miss Dales was unmarried and had a long-standing relationship with a female partner but had refused to discuss her private life.

Phoani Vooght, 35, former president of Laos, died Friday in Vietnam after suffering chronic heart disease, the Laos news agency said Monday.

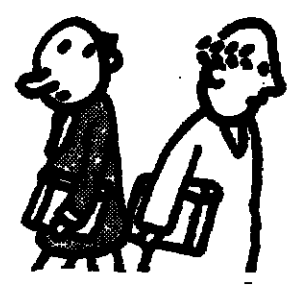
BOOKS

WHAT THEY'RE READING

• Martin Posth, member of the board of directors at Volkswagen in Wolfsburg, Germany, is reading Plato's "Republic" in the original Greek.

"This book is truly an original. Plato's lessons taken from Greek antiquity are just as applicable today as they were then. The precision of the Greek language and its expressions strengthen this."

(Michael Kallenbach, IHT)



dedication and willingness to participate in studies made it possible to search for the abnormal gene.

As he left Pollen's office, Jeff said: "Doctor, we will help in any way we can. We only want to help our children."

In an effort to acquire a complete record of Jeff's ancestry, Pollen contacted Jeff's maternal physician, Charles, a pathologist and Hamman's grandson. Charles had meticulously charted the family's medical histories over several generations and across continents. With these priceless records, molecular geneticists could begin their search for the gene that had affected Hamman's heirs.

Charles also gave Pollen data from studies his family had participated in since the mid-1950s, including investigations attempting to link Alzheimer's disease to specific blood groups and to identify a viral cause for the disease. As Pollen describes these earlier studies, he provides a rich historical perspective of Alzheimer's research. He also provides an interesting account of how science, government and individuals worked together to increase public awareness of Alzheimer's disease. As a result the National Institute of Aging was formed, as were organizations offering support to patients and care givers.

"Hamman's Heirs" reveals that the search to understand the genetics of Alzheimer's disease has been long and arduous, involving many scientists over several decades. With Alois Alzheimer's exploration of the brains of patients with pre-senile dementia providing an appropriate backdrop, Pollen gives a penetrating account of competitive science and the race to identify the gene for familial Alzheimer's disease. Throughout this account Pollen details high technology and important breakthroughs in molecular genetics.

For Hamman's family the race culminated in the fall of 1992 when researchers decisively linked the abnormal gene to a marker on Chromosome 14. Although these studies have not yet identified a specific gene responsible for familial Alzheimer's disease, researchers hope to discover it within several years.

Pollen has written a compelling medical detective story that, for all its scientific complexity, never fails to remind us of the human toll of Alzheimer's disease. Charles did not inherit the abnormal gene, but four of his siblings did, and we are deeply moved by his anguish over them. "This is a story that had to be told," said Ben, another of Hamman's great-grandsons. "Our aspirations were transcendent, but because it involved people it could not be told without tears."

David Armstrong, an associate professor at Georgetown University Medical College, wrote this for The Washington Post.

NASA: Why \$500 Million Mars Probe May Have Fizzled at the Finish Line

Continued from Page 1

be pressurized to fire the braking rockets, which would put the Observer into orbit around Mars.

When controllers tried to pressurize the tanks, minute amounts of condensed oxidizer may have been carried prematurely into contact with the hydrazine fuel. The combination would have ignited inside the plumbing and ruptured it, spewing jets of propellant into space and putting the spacecraft into a rapid, uncontrolled spin that rendered it useless.

"There was no problem with the check

valves," said a planetary engineer who asked not to be identified. "The valves were never intended to be operated that way." He was referring to the assumption that the valves would have to operate only for five days, not for 11 months, and not in such cold temperatures.

The valves, made by two different subcontractors, were regarded as assembly line items that had been proven in other spacecraft. But they had operated only in the relative warmth of near-Earth orbit, investigators said, never in the deep cold of an interplanetary voyage.

In 1992, the Observer team debated the change in procedures extensively before it was approved, a member of the investigating panel.

Peter G. Wilhelm, director of the Naval Center for Space Technology, said Thursday. He focused during the investigation on the propulsion system.

"Was the decision prudent? That's what the debate was all about," he said, adding that changes so late in the game are acceptable, "assuming you make the right change."

HANNAH'S HEIRS: The Quest for the Genetic Origins of Alzheimer's Disease

By Daniel A. Pollen. 296 pages. \$25. Oxford University Press.

Reviewed by David Armstrong

THOUGH the cause of Alzheimer's disease remains unknown, researchers have made a number of important discoveries that have helped us to understand the molecular and genetic basis of this disease. "Hamman's Heirs" chronicles the search to discover an abnormal gene for familial Alzheimer's disease. Throughout this scientific saga, Daniel A. Pollen, a neurologist of the University of Massachusetts Medical Center, blends suffering and courage with a clear account of the advances of contemporary science as he follows researchers and their race to solve the mystery of this disease.

Hannah was born in Russia in the mid-1800s. In middle life she developed difficulty with recent memory and eventually with her personal care. Of her nine children, four were affected with the same disease. Hamman's children and grandchildren traveled throughout Russia and eventually to the United

States, carrying this dreaded disease and enduring a "personal biological holocaust."

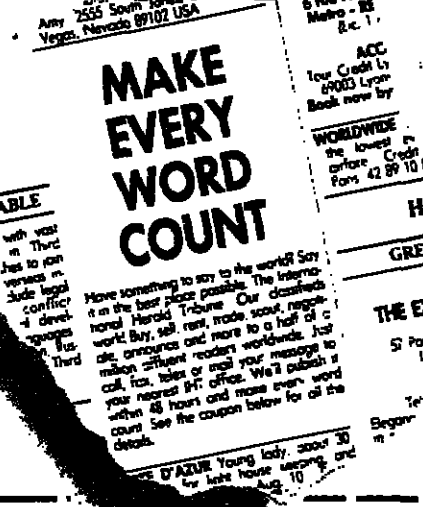
Alzheimer's is a slowly progressive degenerative brain disease that impairs memory, attention and judgment. In the United States an estimated 4 million people suffer from it, resulting in expenditures of \$90 billion for medical bills, nursing and home care costs, and lost productivity. By the middle of the next century the number is expected to rise to 14 million.

"Hamman's Heirs" opens with Hannah's great-grandson, Jeff, in Pollen's office. At 51 Jeff was already developing signs of Alzheimer's disease. Pollen correctly surmised that Jeff's relative youth

meant that he had the familial form of the disease, which is inheritable and represents approximately 10 to 15 percent of Alzheimer's cases. But what was significant about Jeff's visit was that he carried with him a detailed pedigree documenting the occurrence of Alzheimer's disease in his family for four generations.

Pollen immediately realized the importance of Jeff and his family tree for studies on the genetics of Alzheimer's. Although excited about the "momentous opportunities for research," Pollen knew that he also had to focus on Jeff, whose lifelong fears had just been confirmed. To a large extent, this book is about Jeff and the members of his extended family, whose courage,

PLANNING TO RUN A CLASSIFIED AD? READ THIS ONE FIRST.



YES, I WANT TO MAKE EVERY WORD COUNT! Please run my ad as soon as possible.

☐ one time at a cost of _____ ☐ four consecutive times (for the price of three) at a cost of _____

☐ My check is enclosed ☐ Please charge my credit card account:

☐ Visa ☐ MasterCard ☐ Access ☐ Eurocard ☐ Amex ☐ Diners Signature

Card account number _____ Expiry date _____

Name _____ Address _____

City _____ Country _____

Tel. _____ Fax _____

Cost per line: 1 Time 4 Times
U.S. \$ 17.00 \$ 51.00
(add 18% VAT for orders originating in France)

First line of text: _____

First line of text takes a maximum of 25 letters, symbols or spaces; all other lines up to 35. No abbreviations. Minimum space accepted: three lines. *For SITUATIONS WANTED, 50% discount. If you need more space, continue to another sheet of paper.

PARIS: 181 Avenue Charles-de-Gaulle, 92521 Neuilly Cedex, France. Tel.: (33-1) 46 37 93 85. Fax: 46 37 93 70
LONDON: 63, Long Acre, London WC2E 9JH, United Kingdom. Tel.: (44-71) 836 4802. Fax: 240 2254. Telex: 262009
FRANKFURT: Friedrichstrasse 15, 6000 Frankfurt/Main, West Germany. Tel.: (49-69) 72 67 55. Fax: 72 73 10. Telex: 416721.
NEW YORK: 850 Third Avenue, New York, N.Y. 10022, USA. Tel.: (1-212) 752 3890. Fax: 755 8785. Telex: 427175.
HONG KONG: 7/F Malaysia Bldg., 50 Gloucester Rd., Hong Kong. Tel.: (852) 9222 1172. Fax: 9222 1190. Telex: 61170.
SINGAPORE: 138 Cecil Street, #07-02 Cecil Court, Singapore 0106. Tel.: (65) 223 64 78/9. Fax: 224 15 66. Telex: 28749.
TOKYO: 1F Mainichi Newspapers, 1-1-1 Hibiya, Chiyoda-ku, Tokyo 100, Japan. Tel.: (81-3) 3201-0210. Telex: J33673. Fax: (81-3) 3201-0209.

Herald INTERNATIONAL Tribune

ESORTS & GUIDES

BELGRAVIA ORCHIDS
LONDON ESCORT AGENCY
CREDIT CARDS ACCEPTED
071 589 5237

LONDON EXOTIC
ESCORT SERVICE
CALL (071) 970 5515

GENEVA • MISS • PARIS
Escort agency: 346 00 89 credit cards

INTERNATIONAL CLASSIFIED

(Continued From Page 14)

FERRARI
LONDON ESCORT AGENCY
MAJOR CREDIT CARDS ACCEPTED
071 823 4456

INTERNATIONAL ESCORTS
LONDON ESCORT AGENCY
Tel: 212-746-7878 New York, USA
Major Credit Cards & Checks Accepted

CHRISTINE
New escort service ZURICH
Tel: 071/77010 - 7 days

LONDON BRAZILIAN Escort
Service 071 734 5971/91 Open 7 days

CHESA ESCORT SERVICE
51 Broadmoor Place, London SW2.
Tel: 071-884 6513 Established 18 years.

TOKYO
LONDON ESCORT SERVICE
Amsterdam & Bremen
2 days, London/Hatfield
Telephone 0821 62734

MUNICH • WELCOME
ESCORT & GUIDES
PLEASE CALL 089 71 23 14

LONDON • CARIBBEAN • HEATHROW
London & Heathrow Escort Service
Tel: 071 734077 Credit cards accepted

JAPANESE CHINA Escort
Service Days and evenings
Phone: 071 725 3314 London.

PARIS • LONDON
ESCORT & GUIDES
Please call London 71 384 5121

VIENNA • FRANKFURT
LONDON ESCORT AGENCY
Tel: 071 734077 Credit cards accepted

PARIS • LONDON
ESCORT & GUIDES
Please call London 71 384 5121

FRANKFURT • AER
LONDON ESCORT AGENCY
Tel: 071 734077 Credit cards accepted

SOCIAL • ESCORT • SERVICE
LONDON ESCORT AGENCY
Tel: 071 734077 Credit cards accepted

PARIS • LONDON
ESCORT & GUIDES
Please call London 71 384 5121

Brown UNIVERSITY
USA
Brown University
100 University Avenue
Providence, RI 02912
Tel: (401) 863-1000
Fax: (401) 863-1001

صكنا من الأهل

THE NATO SUMMIT TESTING THE ALLIANCE

Bosnia Plea: Diplomatic Victory for Paris

By Alan Riding
New York Times Service
PARIS — Never shy about playing the maverick in the North Atlantic Treaty Organization, France's insistence that a reluctant alliance address the Bosnian war on Monday reflected both a desire to show political leadership in Europe and a need to convince public opinion at home that it is working to end the conflict.

Francis Mitterrand urged his colleagues to "reiterate NATO's willingness to launch air strikes to protect international peacekeepers." On Monday night, it appeared that France had won U.S. backing for its position. Nothing that NATO's credibility was at stake, however, President Bill Clinton told the leaders that if a new war was to be fought, "those who attack Sarajevo must understand that we are serious."

During a visit to Paris, Mr. Boutros Boutros Ghali also reminded NATO that it was up to the UN Security Council to order the use of force. "It is the council that gives a mandate to NATO, just as it may not give one," he said, adding that "a declaration by President Clinton does not suffice."

While France can claim a small diplomatic victory at NATO, its more immediate problem at home is to justify maintaining the largest foreign contingent in a UN peacekeeping force that is increasingly caught in the cross fire between the warring factions. So far, 18 French soldiers have been killed and 268 wounded in the Balkans.



Mrs. Albright and President Havel of the Czech Republic, discussing the pros and cons of Partnership for Peace on Monday in Prague.

Clinton Weighs In With Kohl

And Brussels Commuters Catch President on the Run

Compiled by Our Staff From Dispatches
BRUSSELS — President Bill Clinton greeted Chancellor Helmut Kohl by jovially noting the German leader's sizeable girth. "I was thinking of you last night, Helmut, because I watched the same wrestling," Mr. Clinton quipped, grasping Mr. Kohl's arm teasingly.

It may not have been the most diplomatic thing to say, but Mr. Clinton quickly covered his tracks to include himself in the description. Referring to his own continual battle against extra weight, Mr. Clinton explained, "You and I are the biggest people here and we're still 100 pounds too light."

Some weary-eyed Belgian commuters did a double take during rush hour early Monday, spotting the president of the United States jogging in the inside lane. Some even slammed on the brakes when they recognized the figure in the all-white outfit, creating something of a bottleneck for drivers heading into the city.

At daybreak, Mr. Clinton went in his presidential limousine to a leafy park, Bois de la Cambre, where he jogged for half an hour, circling the park's lake twice.

Prague Is 3d to Back Partnership Plan

By David B. Ottaway
Washington Post Service

PRAGUE — The Clinton administration's high-powered campaign to persuade four East European countries to accept its go-slow approach toward their integration into the North Atlantic Treaty Organization appears to have largely accomplished its mission. But in the process, it has shattered a fledgling regional security alliance.

The Czech Republic on Monday became the third nation to express its unequivocal support for the U.S.-initiated Partnership for Peace plan for progressively closer military cooperation with NATO, without guarantees for its security and full membership that it had initially sought.

After a meeting with the U.S. administration's two special envoys, Madeleine K. Albright and General John M. Shalikashvili, Foreign Minister Jiri Zelenka of the Czech Republic said, "We are fully convinced this project opens for us the possibility to become a member of the alliance."

UKRAINE: Clinton Unveils Accord on Nuclear Arms

Continued from Page 1
airport there late on Wednesday night with President Leonid M. Kravchuk of Ukraine, who will later travel to Moscow for a signing ceremony on Friday with Mr. Clinton and President Boris N. Yeltsin of Russia.

The agreement could still fall apart, Mr. Kravchuk has failed in the past to bring the Ukrainian parliament along with him. This time, Mr. Clinton said, "we have no reason to doubt the ability of the president to keep the commitment that he is prepared to make."

A Clinton administration Ukraine specialist said that all the warheads would have to be out of Ukraine within seven years after the signing of the agreement. After a new parliament is chosen in March, the specialist said, Mr. Kravchuk has pledged to submit for ratification the strategic arms reduction agreement and participation in the Nuclear Nonproliferation Treaty.

As a result of the agreement, Mr. Clinton said, the United States plans to expand its cooperation with Ukraine, "especially in the economic area."

Mr. Clinton said that the agreement covered 176 missiles and 1,500 warheads. But his experts later amended those figures. There are in fact 175 missiles, they said, including older SS-19s, which may be starting to fall apart after poor maintenance, and newer SS-24s.

According to the amended figures, the total number of warheads involved is 1,240 for long-range missiles, plus about 600 more for air-launched cruise missiles. The missiles would be dismantled in Ukraine.

The warheads would be shipped intact to Russia, where the highly enriched nuclear fuel would be removed. There or in the United States or both, it would be blended with other materials to create less highly enriched fuel of the type used in nuclear power plants.

It would then be sold by the United States Enrichment Corp., which maintains a market throughout the world. Proceeds from such sales, which would take place over a period of about 20 years, would go to Russia, which would then share them under a complicated formula that has not been entirely worked out.

Mitterrand Rules Out NATO Role

Compiled by Our Staff From Dispatches
PARIS — President Francois Mitterrand has ruled out any possibility that France might join the North Atlantic Treaty Organization's integrated military command.

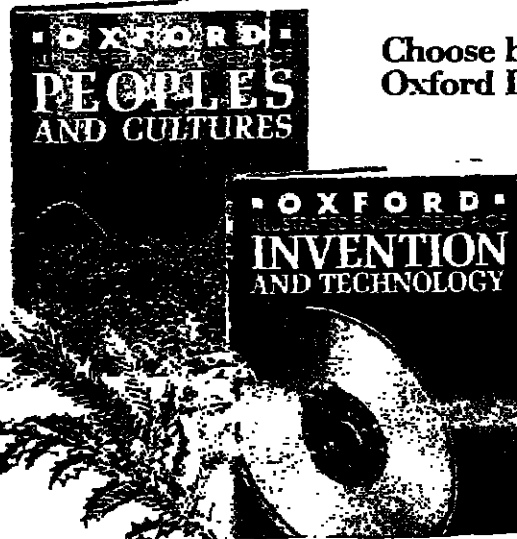
In an interview on the eve of the NATO summit meeting in Brussels, Mr. Mitterrand made his first press statement on defense since 1988. He said NATO's main priority was to develop a common West European defense strategy.

NATO's "first priority is to take into account Europe's identity" in terms of defense, he said. "For the first time the European Community, now the European Union, has set itself the goal of drawing up a truly European identity on defense, followed by a joint defense and security policy capable of leading to a real joint defense strategy," Mr. Mitterrand said.

He added that during NATO's Rome summit meeting in 1991, members set out principles of "transparency and complementarity," especially between NATO and the Western European Union. "These principles have not changed," he said. "The WEU is, moreover, clearly designed to be a component for the defense of the European Union."

De Gaulle took France out of NATO's integrated military command in 1966. "There is no reason to change our particular military situation within NATO," Mr. Mitterrand said Sunday. (AP, Reuters)

Give the IHT as a gift and give yourself a gift as well!



Choose between these two magnificent Oxford Illustrated Encyclopedias.

Take advantage of our special gift rate: 44% off the cover price!

A subscription to the IHT is an ideal year-long gift for a friend or business acquaintance — especially at our special gift rate of up to 44% off the cover price.

For each six- or twelve-month gift subscription that you order we will send you one of the Oxford Encyclopedias illustrated above — absolutely free.

Special bonus for current subscribers: We will extend your own subscription by one week for each month's gift subscription you enter. For example, if you order two one-year gift subscriptions, your own subscription will automatically be extended by 24 weeks.

And, of course, we will send the new subscriber a handsome card, signed as you specify, announcing your gift.

Subscribe yourself: If you are not already an IHT subscriber, you can also take advantage of this special gift offer. In addition to your subscription you will receive the Oxford Encyclopedia of your choice — free. Just complete the coupon below and send (or fax) us a copy for each order. And leave the rest to us.

Call us toll-free in: LUXEMBOURG: 0800 2703; AUSTRIA: 0660 8155; BELGIUM: 078 11 7538; SWITZERLAND: 155 57 57; FRANCE: 05 437 437; THE NETHERLANDS: 06 022 5158; GERMANY: 0130 848585; UNITED KINGDOM: 0800 89 5965

Please indicate which gift subscription term you prefer and fill in the recipient's name and complete address.

12 months (+ 52 free issues, 364 issues in all) 6 months (+ 26 free issues, 182 issues in all)

My choice is: ☐ Peoples and Cultures ☐ Invention and Technology

Recipient's Name: _____

Address: _____

City/Country: _____

My name as it should appear on the gift card: _____

Address: _____

City/Country: _____

My subscription account number: _____

☐ My check or money order is enclosed (payable to the International Herald Tribune).

☐ Please charge my credit card:

☐ Access ☐ American Express ☐ Eurocard ☐ Diners ☐ MasterCard ☐ Visa

Credit card changes will be made in French Francs at current exchange rates.

Card No. _____

Exp. Date: _____ Signature: _____

For business orders, please indicate your VAT number: _____ (IHT VAT number: FR74732021/251)

Return your completed coupon to: Subscription Manager, IHT, 181 Avenue Charles-de-Gaulle, 92521 Neuilly Cedex, France. Fax: 33 1 46 37 06 51 - Tel: 33 1 46 37 93 61.

INTERNATIONAL HERALD TRIBUNE

EDUCATION DIRECTORY

Brown UNIVERSITY
Summer programs... something for everyone.

- Credit courses for undergraduate and pre-college students
- Non-credit courses
- Intensive English as a Foreign Language
- Athletic camps
- Cultural and recreational activities in a great location

Office of Summer Studies
Box T • Brown University
Providence, Rhode Island 02912 U.S.A.
(401) 863-7900 • FAX (401) 863-7906

Do you want concrete results in a foreign language?

Choose your programme (fully adapted to your personal learning style) to have a maximum return on your investment of time and money.

ALCANTARA

- Length of stay: from 1 day to several weeks.
- All programmes include:
 - 8 lessons per day
 - In mini-groups and/or private lessons
 - From 8 a.m. to 10 p.m., the opportunity to practice what you have learnt in the company of native speaking teachers, socio-cultural activities.
- Centres in France, Belgium, Ireland and Spain.
- Languages: French, Dutch, German, Spanish, Italian, Japanese and English.
- In Belgium: intensive French courses for young people aged from 12 to 18.

CERAN
Avenue du Château, 284
B-4800 SPA
Tel. (32) (0) 87 79 11 22
Fax (32) (0) 87 79 11 88

In USA: Tel. (413) 584 0334
Fax (413) 584 3048
In Switzerland: Tel. (41) 21 3235 387
Fax (41) 21 3117 403

HOSTA HOTEL AND TOURISM MANAGEMENT SCHOOL, SWITZERLAND

35 years of experience - Transfer credits to US and European Universities

- Hotel Diploma Courses - 1 to 2 yrs
- Travel and Tourism Diploma Courses - 1 to 2 yrs

For information contact: HOSTA Hotel and Tourism School, 1854 B Leyen, Switzerland, Tel: +41-25-342611, Fax: +41-25-341821

THE CAEDMON SCHOOL
Founded 1982

Nursery - 6th Grade

415 EAST 50TH STREET
New York, N.Y. 10011
Tel: (212) 529-5200 Fax: (212) 529-5227

INTERNATIONAL EDUCATION DIRECTORY
Appears every TUESDAY

Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Familiar and Useless

You can talk about change all you want and keep repeating the changes mantra ("This is the 90s"), but the news of the moment strongly suggests that some things are forever. The news we have in mind are not diamonds, however; they are sentiments reportedly held in high places on both sides of the Atlantic and, as always, expressed by their proprietors as if they were original thoughts and apt ones at that. There are two of these we have in mind. We'll start with the one concerning foreign affairs.

As it is said that there is a "chattering class" and a "political class," so there seems also to be a "source class" in the world, and this has long been evident whenever the "whither NATO" subject of American relations with Europe has come into the news. Thus by Sunday the reigning gripe was back in the papers and on the networks: America's European allies were experiencing (yet another) spell of nerves, owing, as usual, to their fears that the United States was abandoning its "leadership" of the West.

This one is at least as old as the Western alliance itself. But, interestingly, in all its permutations over the years it has rarely been accompanied by some corollary concept of European "followership," mainly because in reality none exists, and, anyway, when the complaint is not about lack of American leadership it tends to be about American strong-arm tactics. What does exist in reality is a pretty consistently practical and, naturally, often quarrelsome working relationship between the United States and its European allies. Its rituals by now include not just regularly scheduled meetings of the ministers and leaders of these countries, but also great, patronizing sighs of despair expressed by the European source class whenever one of these meetings occurs. In their vocabulary, all American presidents (off the record, *bien sûr*) are either fools or maniacs — until such time as

they are superseded in office by another fool or maniac and are retroactively cited as a model of good alliance leadership.

We mention all this by way of suggesting that it would really be dumb for Clinton administration leaders to make decisions about European affairs on the basis of this ritualistic complaint. But if you want to talk about dumb, you have to consider the foolishness of following the implied direction of the other old chestnut in the news at the moment, the domestic one. It has arisen in the context of the Whitewater saga, as old as scandal itself in the age of multimedia and deserves a place in one of those anthologies of famous last words, next to something like "I only regret that I have but one life to lose for my country." It is: "This will be a two-day story."

Evidently, this prescription for disaster has been heard rolling around the inner councils of the administration in recent days, even though, as a political Rx, it is probably responsible for more disaster and destruction in government than anything since the Seven Deadly Sins. As now, the tempting, insidious observation has generally been accompanied by the thought that a masterful showing (anywhere) in foreign or national security policy would blow the trouble away. It is not just this that has never happened. (The awful thing, whatever it is, always comes back.) It is that believing the two-day-story nostrum to be true, administrations regularly take actions to suppress curiosity and the flow of information that, inevitably, make the two-month or two-year problem they have incurred greatly, sometimes terminally worse.

So much for change. These two tired old sayings have been around forever, and so far as we can tell, have never done anyone any good. Real change would be a White House that had the wit to see what shaky guides both are to policy.

—THE WASHINGTON POST

Get On With the Deal

The lengthening delays in the Middle East peace talks are disheartening to Israelis, Palestinians and others around the world whose hopes soared with the announcement of the historic September framework peace agreement. Israel and the Palestine Liberation Organization resumed talks on Monday on the transition to Palestinian rule in Gaza and Jericho. Quick agreement is unlikely, though the first Israeli troop withdrawals are now nearly a month overdue.

Many who thrilled to the prospect of peace knew that the details would be particularly devilish because the framework left so many points intentionally vague. Still, both sides accepted the core principle of expanding Palestinian self-rule under a PLO flag. How then did the atmosphere become so acrimonious, with Israel now openly challenging PLO Chairman Yasser Arafat's reliability and legitimacy as a negotiating partner?

One reason is that both sides have been using the discussion of supposedly technical details to reargue basic questions like Palestinian statehood and sovereignty. The framework agreement excludes statehood for the present interim autonomy period. But it points in the direction of eventual statehood by recognizing Palestinian nationality and PLO political authority.

But the main problem is that both Prime Minister Yitzhak Rabin and Mr. Arafat have tried to stop domestic political support by exploiting supposed political vulnerabilities in the other's camp. Mr. Arafat calculates that Mr. Rabin needs an agreement even more desperately than he does. Mr. Rabin calculates that Mr. Arafat has been seriously weakened by internal challenges to his autocratic rule of the PLO.

Mr. Arafat is trying to refute charges by militant nationalists that he has sold out statehood in exchange for Jericho and Gaza, which

have many people but few resources. So he has been pressing to draw boundaries for Jericho that include some of the Dead Sea's mineral wealth, to limit the visibility of Israeli soldiers and to give Palestinian border guards the main responsibility for policing borders.

Mr. Rabin is eager to reassure Israeli conservatives and centrists that he has not yet conceded a Palestinian state. He resists Mr. Arafat's ever-changing demands, in part on legitimate security grounds but also because he thinks that he can now afford to let Mr. Arafat "sweat."

Mr. Rabin showed in September that the most effective way to rally Israeli opinion is to move ahead boldly on the peace front. Mr. Arafat, instead of trying to quiet his people with symbolic victories that the Israelis are not prepared to concede, needs to listen more carefully to the Palestinians who want a more democratic PLO.

Broadening and democratizing the PLO is important, not just for idealistic reasons but to provide political outlets for Palestinian opponents of Mr. Arafat and the peace agreement who might otherwise turn to terrorism. But it is up to Palestinians, not Israelis, to achieve that democratization.

In reality, the two leaders have bound their political fates together and they both know it. As Mr. Rabin acknowledged to reporters last week: "We cooked this food together, and we will have to find a way together to solve differences."

Israel's leaders learned long ago that the PLO was an undemocratic organization led by a mercurial and unaccountable autocrat. Mr. Rabin bargained with it nonetheless because he understood that the PLO, flawed as it is, is Israel's best available Palestinian partner. Israel's responsibility now is to see through the deal it made with Mr. Arafat.

—THE NEW YORK TIMES

Other Comment

Closer to a Korean Solution

A rare opportunity now exists for North Korea to trade its misguided nuclear ambitions, without too much loss of face, for some Western aid in rebuilding its economy. This might be a wise thing, but there are many in Asia who hope that North Korean leaders will see reason, none more so than South Korea. But Pyongyang must first acknowledge — as the former Soviet Union did — that its system, after decades of wasteful misallocation of resources into a needless nuclear arsenal, is fast becoming a relic of a bygone era.

All that the Pyongyang regime has to do is show some sincerity in winding down its belligerent military posture to receive the sort of benefits that another former U.S. enemy and hard-line state, Vietnam, is now getting. North Korea should take a leaf from the canny Hanoi leadership, which has buried past hatreds in favor of reconstructing its economy, with help from its Asian neighbors and the United States, while retaining the dominance of the ruling party. Whatever dreams Pyongyang might have of its place in the emerging world order, the reality

is that there is no place for a Stalinist gulag in North Asia.

—Business Times (Singapore)

After months of delicate negotiations, North Korea has agreed to permit International Atomic Energy Agency inspectors to resume surveillance of its seven declared nuclear facilities. It has also expressed a willingness to resume negotiations with South Korea on efforts to denuclearize the peninsula. What North Korea still spurns, and this remains unacceptable, is IAEA inspection of two unacknowledged nuclear waste dumps whose tailings should reveal if Pyongyang has diverted sufficient atomic fuel to make nuclear bombs.

Yet seven-ninths of an agreement is better than none. It is a signal for more diplomacy. The United States can offer economic ties and diplomatic relations as a reward for good behavior. Down the road the international community can settle for nothing less than complete on-demand IAEA inspections, and if it takes the cancellation of U.S.-South Korean military exercises to bring Pyongyang to this point, that is a carrot ready and waiting. The Clinton administration has kept its head in handling this issue. But the danger is not over.

—The Baltimore Sun



Who Really Believes the Bosnians Don't Matter?

By Anthony Lewis

NEW YORK — Madeleine Albright, the U.S. delegate to the United Nations, went last Thursday to a garbage dump outside Vukovar in Serbian-occupied Croatia. At that site Serbian forces are believed to have buried the bodies of 200 Croatian hospital patients they killed after capturing Vukovar.

The mass grave was "a symbol of the Yugoslavian war's inhumanity," Mrs. Albright said. But Vukovar is a symbol of something else, too: the American and European weakness that has encouraged the Serbs in their campaign of terror.

When Serbian forces attacked Vukovar in 1991, reducing the city to rubble, intervention by a small NATO force would have stopped the aggression that went on to genocidal killing in Bosnia. That is not just my belief. It is the judgment of General John Galvin, the former NATO supreme allied commander in Europe.

General Galvin told the House Armed Services Committee last May that there were two points when the United States and NATO could have persuaded the Serbs to call off their aggression. The first was when they bombed Dubrovnik, Croatia's port on the Adriatic, in 1991. The second was the onslaught on Vukovar.

"In the destruction of Dubrovnik," he testified, "I believe we could have sent the U.S. 6th Fleet, or we could have sent the standing Naval Force Mediterranean into the Adriatic, and with very little military action we could have shown the determination of Western nations, and indeed the

United Nations, that this did not get out of hand."

At Vukovar, he said, "if we had put a relatively small amount of forces on the ground at that time, we could again probably have stopped what has grown into an enormous crisis."

But there was none of the "determination" that General Galvin said could have been shown. The American president, George Bush, showed only weakness. European leaders were equally feeble.

The predictable result was to encourage the demagogue who leads Serbia, Slobodan Milosevic, in his appeal to extreme Serbian nationalism. If history has any lesson, it is that racist dictators feed on the outside world's weakness.

The American and European failures in 1991 were as grave policy misjudgments as any in the 40 years of the North Atlantic Alliance. Yet none of the principals has had the courage or decency to admit responsibility for actions that allowed genocide to flourish: not Prime Minister John Major, not Mr. Bush, his secretary of state, James Baker, or his national security adviser, Brent Scowcroft.

Mr. Scowcroft had a piece in *The New York Times* last week (*LHT, Jan. 6*), written with Richard Haass, laying out what American foreign policy should be. In it he dismissed Bosnia as a place where U.S. interests are "less than vital."

Does Brent Scowcroft see the pictures of civilians slaughtered in Sarajevo? Does he know that

Serbian gunners have intensified their shelling as if to thumb their noses at this week's NATO summit meeting? Does he believe it is of little consequence that NATO promised to bomb the Serbs if they went on strangling Sarajevo but has done nothing?

"At present the greatest threat to stability and order in Europe is in Bosnia," Senator Bob Dole said on Friday. He added that the Serbian attacks on Sarajevo were "a direct challenge to NATO to back its rhetoric with action." Can anyone really fail to perceive the truth of these statements?

One State Department official who had a part in the Bush policy on Yugoslavia has had the courage to recognize the disaster. That is Warren Zimmermann, a Foreign Service officer for 33 years, who was the U.S. minister in Moscow and ambassador to Yugoslavia. Like his chiefs in the Bush administration, he thought it was best to try to hold Yugoslavia together. But by late 1991 he saw that the policy had encouraged the worst in Mr. Milosevic and was bankrupt.

Last week Warren Zimmermann resigned, in part in disgust at the failure of the United States to act against the slaughter in Bosnia. He was the fifth and by far the highest-ranking Foreign Service officer to quit on that issue.

To make a grave mistake in foreign policy is bad enough. To repeat it is worse. How long will President Bill Clinton, like Brent Scowcroft, go on pretending that the destruction of American and NATO credibility in Bosnia does not matter?

The New York Times

Give NATO Realistic Tasks and Don't Enlarge It

By Frederick Bonnant

BRUSSELS — The present summit is probably NATO's most important meeting since the alliance was founded in March 1949. On it hangs not only NATO's future existence but the ability of the international community to shape a civilized world.

In November 1991, NATO leaders announced a new security architecture based on the start of an era of general prosperity in democracy and the rule of law. But one bloody unchecked conflict after another has demonstrated the unwillingness of its members to involve themselves in actions that do not affect their vital interests. The Brussels summit needs to face up to reality of the world as it has developed. It should state future requirements in relation to real aims that NATO has the capacity to achieve.

The first major test of the alliance after the end of the Cold War, the intervention in the Gulf, was technically a resounding success but produced a misleading impression. Although carried out in the name of the United Nations by "interested countries" under American leadership, it

was, in all but name, a NATO operation, in cooperation with local forces. It appeared to show that no power on earth could resist the alliance in the execution of Security Council resolutions to maintain the principles of the United Nations Charter.

In reality, the "interested countries" applied full force only to the degree that their immediate interests were concerned; they could not afford to let Saddam Hussein get his hands on Kuwait's oil. Humanitarian challenges such as the massacre of Kurds in Kurdistan and the brutal repression of Kurds and Shiite minorities — which should have provided the true justification — received a lukewarm response and have yet to be settled.

The successful action led to the disastrous errors of the war in Yugoslavia. The gap between the intention to preserve the achievements of the Cold War victory and the will to carry that intention out became a chasm.

Having failed to agree to intervene in the early stages when action could

have stopped the disaster, the allies tried to save their consciences by providing humanitarian supplies and sponsoring one peace negotiation after another. It can be argued that these actions serve mainly to prolong the agony of the innocent civilians caught in the cross fire of the forces of local politicians, some of whom fantasize about Western will to intervene.

This lesson should be fully absorbed by the summit when it makes its declaration. The urgent need is for a credible international system to maintain peace and lay the basis for a just existence for the populations of the whole of Europe. It can be achieved only if NATO makes the necessary arrangements with the Central and Eastern European countries to satisfy their security concerns and at the same time comes to an understanding with Russia about common limits and mutual objectives.

Above all, NATO must remain intact as a strong cohesive organization with clearly defined aims.

The urgent demands from Central European and Baltic countries for admission to NATO are understandable. However, they are not under threat, and there is no sense in committing NATO to security guarantees against currently nonexistent dangers.

Agreements on Partnership for Peace will enable these countries to participate in NATO activities, including training and exercises, help them restructure their forces, and introduce common procedures and, eventually, harmonization of equipment. Their borders are guaranteed not only by international and national agreements but above all by the imminent danger that any aggression or even undue pressure would present to NATO's present members.

Enlargement of the organization would mean dilution and, consequently, loss of strength. It would eventually transform NATO into a security organization for the Conference on Security and Cooperation in Europe, without cohesion or leadership, common resources or capacity for unified decision-making and subsequent action.

It is far more important for the security of aspiring as well as actual members to maintain and reinforce the elements from which the alliance derives its strength: its unity and its integrated military structure.

An understanding with Russia is an essential complement to these arrangements. Russia's interest in what it calls its "near abroad" is natural and should be recognized. In return, an equivalent recognition would be required regarding NATO's "near abroad." While Russia's influence and interests could be accepted beyond its eastern and southeastern borders, this cannot apply to its western and southwestern neighbors.

Realistic aims for NATO are limited and may fall short of previous aspirations. But they are within the capacity of the alliance as it exists today. They will provide the secure basis from which further advances can be made.

The writer is editor of NATO's Sixteen Nations, an independent military journal published in Brussels. He contributed this comment to the *International Herald Tribune*.

A Many-Splendored 'Greater China'

By Gerald Segal

JAKARTA — East Asians are known for their economic pragmatism and lack of concern with ideology. Yet it seems to be East Asians who take most seriously talk of a possible clash between East and West or between major religious and ethnic groups along the world's cultural fault lines.

Even more worrying is the tendency of East Asians to talk about Confucian civilization and the role of "overseas Chinese" — the 55 million Chinese living outside China, mainly in Taiwan, Hong Kong and Southeast Asia. This debate over Greater China has brought to the surface barely submerged tensions about ethnicity and national identity.

Current worries in East Asia about the notion of Greater China has several reasons. The end of the Cold War shattered old ideologies and resurrected long-standing concerns among Chinese and non-Chinese about their roots and basic values. For many, these are questions about the very definitions of the nation-states in which they live.

The rise of the mainland Chinese economy, along with the continuing success of Hong Kong, Taiwan and Singapore, has prompted discussion about the so-called Confucian roots of success. Also, as countries in the region become more developed and interdependent, they are starting to consider whether there is a cultural basis for cooperation.

The Greater China debate can affect relations between Chinese states and territories and non-Chinese nations, such as Japan and the Koreans. It is also conducted within ethnically diverse states such as Indonesia, Malaysia and Thailand where influential Chinese minorities.

Yet the concept of overseas Chinese, much like that of a Jewish diaspora, is complex. Wang Gungwa, vice chancellor of the University of Hong Kong, has argued in the case of the Chinese as Martin Kane, an American specialist on Jewish affairs, has done in the case of the Jews, that as cultural characteristics

are mixed into strong host societies, it becomes harder to identify these communities as foreign.

To what extent is it meaningful to see Paul Keating, Australia's prime minister, as "overseas Irish," or President Bill Clinton as "overseas English"? Nonetheless, in many East Asian societies overseas Chinese are still perceived (or misperceived) as a group whose wealth and economic power is disproportionately large and whose loyalty is suspect.

Overseas Chinese certainly command major economic power, accounting for 80 percent of foreign investment in China. In Indonesia, the world's fourth most populous state, Chinese reportedly control up to 30 percent of the economy. The influence of overseas Chinese is primarily economic. They hope to avoid a political backlash of the kind that occurred in the past in Indonesia and Malaysia where non-Chinese and predominantly Muslim majorities resent the commercial clout of the Chinese.

In Indonesia and Malaysia, local Chinese are content to get on with making money. But they are ever vigilant for signs of a flare-up of anti-Chinese sentiment.

Amid debate about the increasing power of Greater China, Indonesian and Malaysian Chinese are on edge. Hence the nervousness, especially in Indonesia, about the leaders of Singapore, where Chinese make up some three-quarters of the population, playing an active role in meetings of overseas Chinese such as the recent one in Hong Kong which brought together entrepreneurs from around the world.

A speech at that meeting by Lee Kuan Yew, Singapore's senior minister, was a model of self-effacement on behalf of overseas Chinese. But the very act of attending and speaking upset leading members of Indonesia's Chinese community.

Singapore's high profile in the

overseas Chinese world is both natural and risky. Given its small size, it risks just a special role in trade with China and trumps its teaching of Mandarin. But by making much of its success, it can easily upset partners in the Association of South East Asian Nations and make regional cooperation more difficult. Consequently, Singapore will remain circumspect and nervous about the notion of Greater China.

By far the biggest uncertainty concerns the attitude of Beijing to overseas Chinese. The mainland government seems to believe that it has some vague authority over what it sometimes calls "Chinese compatriots." In truth, whatever influence there is flows increasingly in the opposite direction.

Much as West Germany undermined East Germany just by being there, being rich and engaging with fellow Germans, so overseas Chinese exert a pull on China. In culture, lifestyle, economics and even politics, Chinese on the mainland are learning habits that undermine the authoritarian rule of the Chinese Communist Party.

The process is reinforced by the presence of overseas Chinese investors, businessmen and visitors, and by mainland students who return from study in the West.

The Chinese are learning that they can be rich, free and still Chinese. North American or Australian Chinese demonstrate that there is no necessary Chinese cultural disposition to authoritarianism.

As the overseas Chinese exert this pull on the fabric of China, it is becoming clear to mainland Chinese that there is already more than one Chinese state. If China proves to be more a culture than a state, then Greater China "unity" may prove to be built on greater diversity.

The writer is a senior fellow at the International Institute for Strategic Studies in London and editor of *The Pacific Review*. He contributed this comment to the *Herald Tribune*.

Europeans Have Lost Their Voice

By Flora Lewis

PARIS — The Europe enthusiasts seem to have gone the way of the Cold Warriors, as though their cause were out of date. The Treaty of Maastricht has taken effect, but in an atmosphere of end of an era, not the start of a new one.

The conventional explanations for this apparent resignation are (1) that the end of Soviet menace reduced the incentive for "building Europe," (2) the recession, and (3) the failure to stop war in ex-Yugoslavia.

But it was not Moscow that inspired the idea of Europe, it was the need to end old rivalries and meet new challenges in a changed world.

The recession lowers sights and narrows the focus of ambitions, but nobody imagines that any European state can reverse it effectively on its own. And the failure in Yugoslavia is due to too little, not too much, will to make Europe count.

No doubt the badly prepared, politically mislaid approach to European Union played a role in creating the impression of hangover once the ceremony was celebrated. That does not explain why the leaders who were so eager to achieve it seem to have renounced the effort to give it vibrant life. They have run out of steam.

After the breathless conclusion of the Uruguay GATT round, which has yet to be ratified, all the self-congratulation was about having been able to achieve it without provoking a grave European crisis. It was enough that the worst didn't happen.

Last year's currency upheavals have been contained, and the European Monetary System is functioning almost as if the rules had not been relaxed. But there is scarcely any talk now about moving on toward economic convergence and preparing for the still ostensibly valid goal of a single European currency.

The aim of a "common foreign and defense policy" is still on the books, and it is coming near to achievement in a common policy of do-nothing, look the other way, in the flagrant case of Bosnia and the looming cases further east. The European discussion on Bosnia is no longer about what can be done but how to get out.

French Defense Minister François Léotard points out that in the two and a half years that the Yugoslav war have been going on, 200,000 people have been killed, more than in the whole of Eastern Europe during the whole of the Cold War. He is clearly aware of the tremendous political, moral and even military implications that abject admission of failure would have for Europe, the Western alliance and the United Nations.

Threats by France, Belgium, Canada and others to pull out their contributions to the UN force if there isn't a settlement by spring are obviously meant to cow the Bosnian Muslims into accepting what little they can now get through negotiations. The threats have to be taken seriously in view of the refusal to act against the intense increase of the gratuitous bombardment of Sarajevo after the cynical promise of a Christmas truce, and the provocative blockades or confiscation of aid deliveries to civilians.

The frustration and disgust of military men on the spot is understandable. They are not only being made to look impotent and witless; it has to be asked if their mission of "protecting humanitarian relief and certain civilian zones" is not simply adding to the agony and duration of war.

The two Balkan wars of 1912 and 1913, although just as cruel and barbaric, ended in a matter of weeks, without benefit of peacekeeping forces and foreign aid. Mr. Léotard asks the stinging question of what must be the reaction of public opinion in the United States and Europe as television screens show the parade of well-dressed, seemingly self-confident leaders at the NATO summit in handsome Brussels, and immediately afterward the haggard refugees, the wounded and dying, the day's ravages of Bosnia.

Whatever the reaction, there is still no action. The French minister talks about enabling the Western European Union to take on European security tasks that NATO doesn't want, it is ducking in Eastern Europe. But he does not say why the result would be any different from the Bosnia tragedy. Asians ask whether Europe can now be discounted as a prime world force.

But Europe is still here, still rich, still with great reserves of brains and power. All the reasons the European movement began in the 1950s remain valid, if anything more urgent than ever. Much has been accomplished, but it can wither away without continued momentum. The builders of Europe must rediscover their voice.

© Flora Lewis

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1894: Very Old Subject

LONDON — William Hampson, formerly of Salford, who claimed to be the Queen's oldest subject, died on Tuesday [Jan. 9]. His age could never be ascertained with certainty. There was no documentary proof, but the old man maintained that he saw his 115th New Year's Day last Monday week. Hampson used to say that when a boy he heard John Wesley preach. His two sons were killed in the Crimean war and four of his uncles were in the battle of Waterloo.

1919: Immediate Issues

PARIS — On the eve of the preliminary peace conferences, the Allies are at issue on two vital questions on which discussions will be held at the first sessions next week. One is the measures to be taken with the Bolsheviks of Russia, the other the lifting of the German blockade, sufficiently to allow the feeding of the people of the eastern provinces.

Both issues call for immediate attention, and until an agreement is reached upon them, such matters as the formation of a League of Nations, the amount of indemnity which Germany must pay, the use of the high seas and kindred questions will be of secondary importance.

1944: Nearing Cassino

ALGERS — [From our New York edition.] In a two-mile advance through the mountainous terrain of south-central Italy, the 6th Army has driven to within view of Cassino, the heavily defended German stronghold on the road to Rome. Overcoming fierce German resistance northeast of the town, American infantrymen have reached a point from which they can look down into the streets of the communications center. Now no more than four miles from the goal toward which they have been struggling for six days, the Americans passed to the offensive again and captured the peak of Cassino Vecchio.

International Herald Tribune

KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER

Co-Chairmen

RICHARD McCLEAN, Publisher & Chief Executive

JOHN VINOCUR, Executive Editor & Vice President

• WALTER WELLS, News Editor • SAMUEL ABT, KATHERINE KNORR and CHARLES MITCHELL MORE, Deputy Editors • CARL GEWIRTZ, Associate Editor • ROBERT J. DONAHUE, Editor of the Editorial Pages • JONATHAN GAGE, Business and Finance Editor • RENE BONDY, Deputy Publisher • JAMES McLEOD, Advertising Director • JUANITA CASPARI, International Development Director • ROBERT FARRÉ, Circulation Director, Europe

Directeur de la Publication: Richard D. Simmons

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Nanterre-sur-Seine, France.
Tel. (1) 46.37.93.00. Fax: (1) 46.37.93.01. Advertising: 46.37.52.12.
Editor for Asia: Michael Rosenbaum, 3 Convent Road, Singapore 0511. Tel. (65) 472.7708. Fax: (65) 274.2334.
Mng. Dir. Asia: Rolf D. Kneipf, 50 Gloucester Rd., Hong Kong. Tel. (86) 2616. Fax: (86) 261.2073.
Mng. Dir. U.K.: Gary Thorne, 65 Long Acre, London WC2E. Tel. (071) 836-8002. Fax: (071) 240-2254.
Mng. Dir. Germany: W. Lauerbach, Friedrichstr. 15, 10117 Frankfurt. Tel. (49) 72 67 55. Fax: (49) 72 73 10.
Pres. U.S.: Michael Garmy, 250 Third Ave., New York, N.Y. 10022. Tel. (212) 752-8800. Fax: (212) 755-8785.
S.A. au capital de 1.200.000 F. RCS Nanterre B 73202126. Commission Paritaire No. 61337.
© 1993, International Herald Tribune. All rights reserved. ISSN 0244-8020.

OPINION

This Benign View of Russia Is a Dangerous Delusion

By William Safire

WASHINGTON — "Nothing is more contemptible," Joseph Alsop told me when I took up this line of work, "than a columnist without a Weltanschauung."

A coherent worldview is tough to come by these days because the main threat to freedom has shifted from militant communism to what John Leo has named "ethnomania," more tribalism than nationalism. It is exploding around Bosnia, the test that NATO is failing, and is advancing in what used to be the Communist bloc.

Does Bill Clinton have a worldview? He may be taking one from the former Time magazine columnist Strobe Talbot.

Unlike Clinton, I expect Russia — rich in resources and with an educated work force — to return to superpowerhood and to dominate its neighbors.

bott, translator of Nikita Khrushchev's memoirs, a longtime friend of Bill gaining preeminence in foreign affairs.

Judging from the president's interviews (with little help from a maddly speech in Milwaukee read for him last week by Vice President Al Gore), the Clinton-Talbot Weltanschauung includes a view of a new Russia whose foreign policy can be shaped benignly by evidence of Western trust.

If we reassure Moscow, goes this view, that it has nothing to fear from the nearness of NATO, then Russia, as it regains its strength, will be less likely to feel the need to reassert control of its former empire. Contrariwise, if we were to seize this moment of Russian weakness to incorporate the newly freed Eastern European nations into the NATO defense, we would only encourage the old paranoia and play into the hands of resentful Russian revanchists.

This is the diplomatic set that produced the Partnership for Peace scheme. To Warsaw, Prague and Budapest, eager to join the West's mutual protection alliance, it says: Maybe, someday. Your security "affects" America's security, but it is not as vital an interest as Germany's or Turkey's. To Russian military leaders, Mr. Clinton's NATO waffle says: Don't get nervous, we only said "maybe" to the buffer states, and made no promise about when someday would come.

I think this seeming compromise is self-deception. That is because I see Russia — resource-rich, with an educated population, no longer hamstringed by collectivist ideology — returning to superpowerhood and, even if democratic, dominating its neighbors.

That is why I asked the president, in a recent Sanhedrin of savants, whether anybody in his administration was presenting the opposing view. Was anyone saying that if you do not bring Eastern Europe into NATO now, when Russia is weak, you will never be able to bring it in when Russia is strong and refuses to let it come in? Did anyone near him present the case that he might be making a great historic blunder?

"No one in the administration has," he admitted, which is dismaying; even Lyndon Johnson had a high-level dissenter. But Mr. Clinton said he has tried to understand the contrary position, "and I think my response would be, Bill, that that development would not occur overnight. . . . We will have a couple of years to make the judgment you just outlined. And it won't be where we'll wake up one morning and it will be too late. I think there will be several mornings when we'll have the chance to take a different course."

That easy out was challenged by the communist Richard Cohen: "But isn't it likely that, at that time, the same arguments will be raised, that you will only encourage Russian paranoia, that you will push them over the edge, and you will be in the same box?"

"Whenever you make a new start," Mr. Clinton responded, ". . . you always have these judgment calls, and in the end only history can render a verdict. . . . Is it a risk?"

"Of course it is, in the sense that any change you make like this is a risk. I believe the risk is smaller with the course we are taking than it would be if we tried to push to immediate membership."

That is a false choice; a less risky alternative would be earned membership with published criteria and a reasonable timetable.

The president, who sees himself as "a force for optimism," later sketched his vision of tomorrow's Russia:

"I believe if they continue as a democratic, market-oriented, reformist, noninterventionist nation, they will become in a more traditional sense, then, a very great nation, not an empire. . . . Their whole history and character and texture of Russia argues for that."

I think Russia's whole history and character and texture argue for the opposite. That is what makes Weltanschauung.

The New York Times.

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.



LETTERS TO THE EDITOR

Let Europe See to Bosnia

Regarding the report "France Presses the U.S. to Intervene in Bosnia" (Jan. 6):

Is it not incredible that France and other West European countries should press the United States to intervene militarily in Bosnia? If a Europe of 350 million people, which manufactures some of the most sophisticated military equipment in the world, has neither the will nor the guts to end this local war, why should the United States (and Canada) do the job? As a Canadian, I say, let the Europeans solve their problems, and let North Americans attend to their own numerous problems at home.

GERALD R. HASTINGS,
Monaco.

An In-Between Alliance

Russia, for historical reasons, feels uncomfortable having a large Western military bloc too close to its frontiers. But for the small states, old and new, that have just been freed from Russia's unwelcome embrace, the possible resurgence of Russian ultranationalism is nerve-racking, too. What can be done?

Perhaps a solution might be found in the forming of a third bloc between Russia and NATO. This would comprise Estonia, Latvia, Lithuania, Belarus, Ukraine, Poland, the Czech Republic, Slovakia, Hungary, Romania and Bulgaria. They would form a defensive alliance, and enter into nonaggression pacts with their neighbors, east and west. With more than 135 million inhabitants and a broad economic base, this would be a bloc that Russia would be loath to consider invading. This new bloc could form a free trade area with

the idea of moving toward a common market, providing fledgling economies with a decent-sized market.

The nonaggression pact with NATO would engage each in mutual defense if Russia attacked. The pact with Russia would commit each to react to an attack by any NATO member country. Security would thus be improved without antagonizing either of the powerful neighbors. Nervous Russian geopoliticians and military planners should, indeed, be pleased to have this grouping as a buffer and an ally.

FREDERICK STARR WILDMAN,
Colebrook, Connecticut.

Hypocrisy All Around

Regarding the Other Comment item "More Hypocrisy on Bosnia" (Opinion, Jan. 4) from New Straits Times:

Everything that the New Straits Times of Kuala Lumpur says about Western hypocrisy in Bosnia is true. The Western performance in ex-Yugoslavia has been disgraceful. But this commentary fails to mention the promises of the Islamic countries to come to the assistance of their fellow Muslims in Bosnia. There were mighty pronouncements of aid, which encouraged some of us in the Western world, but they never materialized. What happened?

K. W. EMERSON,
Brussels.

Everyman's Culture

Regarding "Global Culture: The Paradox of U.S. Dominance" (Opinion, Jan. 5 and 6) by David Rieff:

Mr. Rieff wonders at the paradox of the persistence of American cultural

predominance in the face of relative American economic decline. But just as an outdated conception of national economy masks the reality of the global economy, a narrow fascination with the made-in-America label on cultural products masks the reality of the universal popular values and aspirations upon which the modern world is built.

Just as Everyman buys Japanese cars because they best express universal value attached to superior workmanship at a reasonable price, he admires American popular culture because it best embodies the universal popular values of liberty and equality. Everyman puts up with the provincialism of the made-in-America image for the same reason that the world puts up with the outmoded language and mores of Shakespeare: because the substance is so much more than the image.

No matter what image it is packaged in, a Clint Eastwood film is always about Everyman's earnest dignity in the face of life's absurdity, elite dishonesty and plain human meanness. Whether Everyman actually likes hamburgers or not, at McDonald's it is neat and clean and rich-looking; everything works; Everyman's snout-nosed, squalling brats are welcome, and he doesn't have to dress in clothes he can't afford or doesn't like; everybody is equal. All this is not only a welcome escape from daily life, but a welcome expression of Everyman's personal values and aspirations in an elite-dominated, class-ridden, often deliberately impoverished society.

While it is not surprising that incurable snobs, religious fanatics, aged Chinese Communists, sour ultranationalists and self-interested cultural elites should take up arms against so-called American popular culture, it is surprising that French

Put Care and Compassion Before the Mythical Cures

By David Spiegel

STANFORD, California — The United States does not have a health care system; it has a disease cure system.

The public believes and many doctors behave as if most illnesses were curable. Americans think of the body as if it were a machine with replaceable parts: Defects can be identified, removed and replaced through treatments such as or-

gan transplants, drugs and gene therapy. This is rarely the case. The expectation of cure has led to an explosion of invasive, expensive and often risky interventions that have at best marginal effects on survival. There has been too much focus on diseases and too little on the people who have the diseases. Most Americans die of chronic and progressive illnesses: heart disease, stroke and cancer. Cure is the exception, not the rule. Compassionate care should help people live with illness by relieving suffering, managing symptoms and coping with the uncertainty and fear. Several recent studies — of metastatic breast cancer patients, lymphoma and malignant melanoma patients, and patients recovering from heart attacks — have shown that participating in support groups not only improves people's mood and coping skills but may help them live longer. Unfortunately, many inexpensive group interventions are not part of standard treatment. They are offered as adjuncts to medical care. They are not reimbursed by insurance plans, although they cost a small fraction of fully covered invasive procedures.

MEANWHILE

Moreover, many of these procedures produce only marginally greater benefits than the risks they incur.

Insurance companies pay huge bills for in-patient and surgical procedures regardless of efficacy, whereas little or nothing is paid for time spent helping patients to cope with illness.

Mental health benefits have been singled out for benefit caps in the Clinton health plan. This ignores the complex interaction of mind and body that we are beginning now to understand.

Humane care costs less than high-tech care and is what patients want and need: Americans spent \$12 billion last year out of pocket on alternative medical care.

Depression is three times as common among medical in-patients and twice as common among medical out-patients as in the general population.

Depression and anxiety, in turn, make medically ill people heavier users of medical services. A study in Canada demonstrated that the least well-adjusted medically ill patients cost the health care system 75 percent more than do the best adjusted ones, largely through unnecessary primary care visits, hospital days and laboratory services.

Stress-related symptoms account for about 60 percent of all primary care visits. If comprehensive supportive health services can be provided, costs will fall and care will improve dramatically.

Surgical and other medical procedures have made an enormous difference in people's lives. But the American health care system overvalues procedures at the expense of old-fashioned medical compassion and concern.

Medicine's oldest adage is "to cure rarely, to relieve suffering often and to comfort always." In this century, we have twisted that job description. We need more compassion and counseling and less cutting and testing. The myth of cure is costly in human and financial terms; the price of dashed hopes is high. With a focus on care, many individuals with serious diseases can lead longer, happier and more productive lives.

The writer, a professor of psychiatry at Stanford University School of Medicine, is author of "Living Beyond Limits," about coping with serious illness. He contributed this comment to The New York Times.

Four hundred of the world's most prominent families call Fisher Island home.

There are a few places in the world where people can truly relax and enjoy a remarkable lifestyle.

One of them is Fisher Island.

It is a 216-acre sanctuary of lovely homes, beaches and recreational pleasures, providing the finest amenities in a serene, pampered environment.

Its seaside residences are luxurious and as large as 9,000 square feet, with terraces of an additional 5,000 square feet overlooking the Gulf Stream, Biscayne Bay and the skylines of Miami and Miami Beach.

Created by William K. Vanderbilt II, great grandson of American industrialist Commodore Vanderbilt, Fisher Island has been a favorite of the world's important people for 70 years.

The family's spectacular winter estate included a dramatic home by the ocean filled with antiques from one of Napoleon's palaces. On



the grounds, Vanderbilt erected charming cottages and guest villas amid resplendent gardens and fountains. The mansion and surrounding structures have been restored to their former grandeur as The Fisher Island Club.

In recent years, impressive social and recreational facilities have been added. There is a P.B. Dye championship golf course; an international spa lauded by *Town & Country* as one of the finest of the 1990s; a racquet club with clay, grass and hard courts; two deepwater marinas which host the largest yachts in the world; a mile of Atlantic beach; and a variety of excellent restaurants.

There are manicured parks for afternoon strolls; an island

shopping plaza with its own bank, post office, trattoria and dockmaster's office; and, perhaps most important of all, an atmosphere of security that allows residents to lead a life of privacy and pleasure.

Little wonder, then, that 400 of the world's most distinguished families, hailing from 39 countries, now call Fisher Island home.

We invite your inquiry. Residences \$800,000 - \$6,000,000



Unlike any community in the world

Fisher Island, Florida 33109
(305) 535-6071 / (800) 624-3251
Fax (305) 535-6008

Restored Vanderbilt Guest Cottage and Seaside Villa accommodations available from \$425 to \$1,000 per night.

Concierge Donatella Pecci-Blunt of Fisher Island and Rome, a best-selling author, the Concierge heads Italian-based Donatella Pecci-Blunt Inc., the cosmetics company she founded.

This project is registered with the New Jersey Real Estate Commission (NJREC) 9047-711 to 716. Registration does not constitute an endorsement of the merits or value of the project. Obtain and read the New Jersey Public Offering statement before signing anything. This is not an offering to any person in any state where such an offering may not lawfully be made. Equal Housing Opportunity.

MARKET DIARY

Dow Soars 45 Points
As Optimism Grows

Compiled by Our Staff From Dispatches
NEW YORK — U.S. stocks surged Monday, with shares of auto, telephone and software companies setting the pace, amid broad optimism about the economy and corporate earnings.

The Dow Jones industrial average set a sixth consecutive record, rising 44.74 points, to close at 3,865.51. It has risen a total of 111.42 points in the last six sessions.

Gainers outnumbered losers by 3

N.Y. Stocks

4-to-3 ratio on the New York Stock Exchange, where volume totaled 317.6 million shares, down from 313.8 million on Friday.

The stock market was underpinned by stability in bonds. Investors apparently were confident that interest rates are not soon headed higher. The yield on the benchmark 30-year Treasury bond inched up to 6.24 percent from 6.23 percent on Friday.

"Inflation just doesn't seem to be a problem, and that means we can see some fairly decent economic growth and earnings growth without overheating the economy," said Gene Grandone, an investment counselor at Northern Investment Counselors in Chicago.

"People continue to recognize that the economic outlook is good," said Peter Caneio, chief investment strategist at NatWest Securities. Dealers said the market had been underpinned in particular by a series of indicators last week on job

growth, car sales and factory orders, which encouraged investors to buy stocks of companies that are sensitive to economic cycles.

Blockbuster Entertainment was the most-active New York Stock Exchange issue, falling 1/4 to 77 1/2. Paramount was down 1/4 to 41 1/4, and QVC dropped 1 1/2 to 39 1/4. The falls among the players in the Paramount takeover battle came after Viacom raised the cash portion of its offer to \$105 a share for 50.1 percent of Paramount in an attempt to outbid QVC. It also agreed to merge with Blockbuster, which is helping finance its bid.

Telefonos de Mexico was No. 2 among the actives, down 1 1/4 to 65 1/4. Its shares fell on reports the Mexican government plans to sell in coming weeks its remaining 4.6 percent stake in Telcel. Dealers warned that weekend violence in Mexico, including three car bombings in Mexico City, may affect the American depositors' receipts of Mexican companies. The violence followed a peasant uprising began Jan. 1.

Chrysler rose 1 1/2 to 58 1/4, Ford climbed 3/4 to 67 1/4, and General Motors rose 1 1/4 to 59 1/4. Meetings with company executives at the Detroit Auto Show led some analysts to raise earnings estimates.

Phone companies, including Bell Atlantic, U.S. West, Southwestern Bell and Pacific Telesis, were stronger. The sector was boosted after U.S. West said it would invest \$750 million to connect 750,000 homes with new video services.

(Reuters, UPI, Bloomberg)

Strong U.S. Outlook
Gives Dollar a Boost

NEW YORK — The dollar rallied on Monday, lifted by a global outlook that underscored the relative strength of the U.S. recovery versus the depressed economies of other major industrial nations.

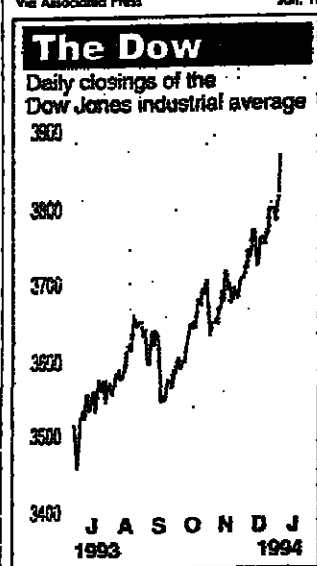
The dollar got an initial lift from news that the West German gross

domestic product contracted by 1.9 percent in 1993. This strengthens speculation of another cut in German interest rates, probably no later than early February, if the country's inflation remains on a downward trend.

The dollar closed Monday at 1.7338 Deutsche marks, up from 1.7275 DM late Friday, and at 112.25 yen, up from 111.85 yen.

The U.S. currency rose to 1.4715 Swiss francs from 1.4660 francs and to 5.9600 French francs from 5.8830. The pound was unchanged at \$1.4930.

The dollar briefly broke through



The Dow Jones industrial average

Jan. 10

Vol. High Low Last Chg.

Blockbuster 77 1/2 78 1/4 77 1/2 77 1/2 -1/4

Paramount 41 1/4 42 1/4 41 1/4 41 1/4 -1/4

QVC 39 1/4 40 1/4 39 1/4 39 1/4 -1 1/2

Chrysler 58 1/4 59 1/4 58 1/4 58 1/4 1 1/2

Ford 67 1/4 68 1/4 67 1/4 67 1/4 3/4

General Motors 59 1/4 60 1/4 59 1/4 59 1/4 1 1/4

Telefonos de Mexico 65 1/4 66 1/4 65 1/4 65 1/4 -1 1/4

Bell Atlantic 54 1/4 55 1/4 54 1/4 54 1/4 1/4

U.S. West 75 1/4 76 1/4 75 1/4 75 1/4 1/4

Southwestern Bell 52 1/4 53 1/4 52 1/4 52 1/4 1/4

Pacific Telesis 51 1/4 52 1/4 51 1/4 51 1/4 1/4

Chrysler 58 1/4 59 1/4 58 1/4 58 1/4 1 1/2

Ford 67 1/4 68 1/4 67 1/4 67 1/4 3/4

General Motors 59 1/4 60 1/4 59 1/4 59 1/4 1 1/4

Telefonos de Mexico 65 1/4 66 1/4 65 1/4 65 1/4 -1 1/4

Bell Atlantic 54 1/4 55 1/4 54 1/4 54 1/4 1/4

U.S. West 75 1/4 76 1/4 75 1/4 75 1/4 1/4

Southwestern Bell 52 1/4 53 1/4 52 1/4 52 1/4 1/4

Pacific Telesis 51 1/4 52 1/4 51 1/4 51 1/4 1/4

Chrysler 58 1/4 59 1/4 58 1/4 58 1/4 1 1/2

Ford 67 1/4 68 1/4 67 1/4 67 1/4 3/4

General Motors 59 1/4 60 1/4 59 1/4 59 1/4 1 1/4

Telefonos de Mexico 65 1/4 66 1/4 65 1/4 65 1/4 -1 1/4

Bell Atlantic 54 1/4 55 1/4 54 1/4 54 1/4 1/4

U.S. West 75 1/4 76 1/4 75 1/4 75 1/4 1/4

Southwestern Bell 52 1/4 53 1/4 52 1/4 52 1/4 1/4

Pacific Telesis 51 1/4 52 1/4 51 1/4 51 1/4 1/4

Chrysler 58 1/4 59 1/4 58 1/4 58 1/4 1 1/2

Ford 67 1/4 68 1/4 67 1/4 67 1/4 3/4

General Motors 59 1/4 60 1/4 59 1/4 59 1/4 1 1/4

Telefonos de Mexico 65 1/4 66 1/4 65 1/4 65 1/4 -1 1/4

Bell Atlantic 54 1/4 55 1/4 54 1/4 54 1/4 1/4

U.S. West 75 1/4 76 1/4 75 1/4 75 1/4 1/4

Southwestern Bell 52 1/4 53 1/4 52 1/4 52 1/4 1/4

Pacific Telesis 51 1/4 52 1/4 51 1/4 51 1/4 1/4

Chrysler 58 1/4 59 1/4 58 1/4 58 1/4 1 1/2

Ford 67 1/4 68 1/4 67 1/4 67 1/4 3/4

General Motors 59 1/4 60 1/4 59 1/4 59 1/4 1 1/4

Telefonos de Mexico 65 1/4 66 1/4 65 1/4 65 1/4 -1 1/4

Bell Atlantic 54 1/4 55 1/4 54 1/4 54 1/4 1/4

U.S. West 75 1/4 76 1/4 75 1/4 75 1/4 1/4

Southwestern Bell 52 1/4 53 1/4 52 1/4 52 1/4 1/4

Pacific Telesis 51 1/4 52 1/4 51 1/4 51 1/4 1/4

Chrysler 58 1/4 59 1/4 58 1/4 58 1/4 1 1/2

Ford 67 1/4 68 1/4 67 1/4 67 1/4 3/4

General Motors 59 1/4 60 1/4 59 1/4 59 1/4 1 1/4

Telefonos de Mexico 65 1/4 66 1/4 65 1/4 65 1/4 -1 1/4

Bell Atlantic 54 1/4 55 1/4 54 1/4 54 1/4 1/4

U.S. West 75 1/4 76 1/4 75 1/4 75 1/4 1/4

Southwestern Bell 52 1/4 53 1/4 52 1/4 52 1/4 1/4

Pacific Telesis 51 1/4 52 1/4 51 1/4 51 1/4 1/4

Chrysler 58 1/4 59 1/4 58 1/4 58 1/4 1 1/2

Ford 67 1/4 68 1/4 67 1/4 67 1/4 3/4

General Motors 59 1/4 60 1/4 59 1/4 59 1/4 1 1/4

Telefonos de Mexico 65 1/4 66 1/4 65 1/4 65 1/4 -1 1/4

Bell Atlantic 54 1/4 55 1/4 54 1/4 54 1/4 1/4

U.S. West 75 1/4 76 1/4 75 1/4 75 1/4 1/4

Southwestern Bell 52 1/4 53 1/4 52 1/4 52 1/4 1/4

Pacific Telesis 51 1/4 52 1/4 51 1/4 51 1/4 1/4

Chrysler 58 1/4 59 1/4 58 1/4 58 1/4 1 1/2

Ford 67 1/4 68 1/4 67 1/4 67 1/4 3/4

General Motors 59 1/4 60 1/4 59 1/4 59 1/4 1 1/4

Telefonos de Mexico 65 1/4 66 1/4 65 1/4 65 1/4 -1 1/4

Bell Atlantic 54 1/4 55 1/4 54 1/4 54 1/4 1/4

U.S. West 75 1/4 76 1/4 75 1/4 75 1/4 1/4

Southwestern Bell 52 1/4 53 1/4 52 1/4 52 1/4 1/4

Pacific Telesis 51 1/4 52 1/4 51 1/4 51 1/4 1/4

Chrysler 58 1/4 59 1/4 58 1/4 58 1/4 1 1/2

Ford 67 1/4 68 1/4 67 1/4 67 1/4 3/4

General Motors 59 1/4 60 1/4 59 1/4 59 1/4 1 1/4

Telefonos de Mexico 65 1/4 66 1/4 65 1/4 65 1/4 -1 1/4

Bell Atlantic 54 1/4 55 1/4 54 1/4 54 1/4 1/4

U.S. West 75 1/4 76 1/4 75 1/4 75 1/4 1/4

Southwestern Bell 52 1/4 53 1/4 52 1/4 52 1/4 1/4

Pacific Telesis 51 1/4 52 1/4 51 1/4 51 1/4 1/4

Chrysler 58 1/4 59 1/4 58 1/4 58 1/4 1 1/2

Open	High	Low	Last	Chg.
Indus	384.4	384.5	384.5	+44.74
Transp	179.7	180.4	179.9	+30.39
Comp	125.3	125.3	125.3	+1.50

Standard & Poor's Indexes

High	Low	Close	Chg.
Industrials	553.4	548.8	+6.7
Transportation	442.0	442.0	+6.9
Utilities	167.9	167.9	+1.3
Finance	44.9	44.9	+0.8
SP 500	427.3	427.3	+1.3
SP 100	429.5	429.5	+1.3

NYSE Indexes

High	Low	Close	Chg.
Composite	272.6	272.6	+0.2
Technology	272.6	272.6	+0.2
Finance	272.6	272.6	+0.2

NASDAQ Indexes

High	Low	Close	Chg.
Composite	272.6	272.6	+0.2
Technology	272.6	272.6	+0.2
Finance	272.6	272.6	+0.2

NYSE Most Actives

Vol.	High	Low	Last	Chg.
Blockbuster	188.8	188.8	188.8	-1/4
Paramount	188.8	188.8	188.8	-1/4
QVC	188.8	188.8	188.8	-1 1/2

NYSE Stock Index

High	Low	Close	Chg.
Indus	479.8	479.8	-0.7

Dow Jones Bond Averages

Close	Chg.
20 Bonds	+0.15
10 Utilities	+0.12
10 Industrials	+0.12

Market Sales

NYSE 4 a.m. volume	37,400,000
NYSE 4 p.m. volume	17,700,000
NASDAQ 4 a.m. volume	31,300,000
NASDAQ 4 p.m. volume	20,700,000

NYSE Odd-Lot Trading

Buy	Sell	Short
Jan. 7	1,397,157	87,997
Jan. 8	1,397,157	87,997
Jan. 9	1,397,157	87,997
Jan. 10	1,397,157	87,997

S&P 100 Index Options

Strike	Call	Put
100	1.10	1.10
105	1.10	1.10
110	1.10	1.10

Amex Diary

Advanced	123
Declined	123
Unchanged	123
New Highs	123
New Lows	123

NASDAQ Diary

Advanced	123
Declined	123
Unchanged	123
New Highs	123
New Lows	123

German to Head G-10 Banks

BASEL — The committee of the Group of 10 central banks said Monday that Hans Tietmeyer, president of the Bundesbank, would take over as chairman of the committee, replacing John Crow, whose term of office as Bank of Canada governor expires at the end of January.

Central bank governors of the G-10 nations held their regular monthly meeting Monday, with the committee led by Mr. Crow, who was appointed to the post in November, for the last time.

In December, Finance Minister Paul Martin of Canada said he would not appoint Mr. Crow as Bank of Canada governor. He awarded the job to Gordon Thiessen, currently senior deputy governor at the bank.

WORLD STOCK MARKETS

Agencies: France Press, Jan. 10

Amsterdam

Open	High	Low	Last	Chg.
ABN AMRO	70.1	70.1	70.1	0.00
ABN AMRO	70.1	70.1	70.1	0.00
ABN AMRO	70.1	70.1	70.1	0.00

Brussels

Open	High	Low	Last	Chg.
ABN AMRO	70.1	70.1	70.1	0.00
ABN AMRO	70.1	70.1	70.1	0.00
ABN AMRO	70.1	70.1	70.1	0.00

Frankfurt

Open	High	Low	Last	Chg.
ABN AMRO	70.1	70.1	70.1	0.00
ABN AMRO	70.1	70.1	70.1	0.00
ABN AMRO	70.1	70.1	70.1	0.00

London

Open	High	Low	Last	Chg.
ABN AMRO	70.1	70.1	70.1	0.00
ABN AMRO	70.1	70.1	70.1	0.00
ABN AMRO	70.1	70.1	70.1	0.00

Madrid

Open	High	Low	Last	Chg.
ABN AMRO	70.1	70.1	70.1	0.00
ABN AMRO	70.1	70.1	70.1	0.00
ABN AMRO	70.1	70.1	70.1	0.00

Milan

Open	High	Low	Last	Chg.
ABN AMRO	70.1	70.1	70.1	0.00
ABN AMRO	70.1	70.1	70.1	0.00
ABN AMRO	70.1	70.1	70.1	0.00

Paris

Open	High	Low	Last	Chg.
ABN AMRO	70.1	70.1	70.1	0.00
ABN AMRO	70.1	70.1	70.1	0.00
ABN AMRO	70.1	70.1	70.1	0.00

Sao Paulo

Open	
------	--

EC Investigators Are Said to Oppose 3-Way Steel Link

BRUSSELS — The European Commission's merger-inquiry team has proposed vetoing the creation of a joint steel venture by Germany's Mannesmann AG, Vallourec SA of France and Ilva SpA of Italy, commission and industry sources said on Monday.

Karel Van Miert, the competition commissioner, was expected to ask his fellow commissioners to back the veto proposal at a meeting

EU Car Firms to Suggest Post-Protection Policies

BRUSSELS — The European Automobile Manufacturers Association will make recommendations on Tuesday to the European Union and other policy-makers to ensure Europe's car industry remains competitive as barriers to Japanese imports are removed. A spokesman refused to give details but said changes should create a healthy economic climate for the industry.

Meanwhile, Italian car sales slumped 20 percent last year and the market is unlikely to see a pick-up in 1994, according to Ansa, Italy's national auto association.

On Jan. 26, the deadline for a verdict after a four-month inquiry into the venture, the sources said.

If Mr. Van Miert convinces his colleagues to back him, the joint venture would be only the second company alliance vetoed by the commission under European Union merger control rules in effect since 1990.

The venture, called DMV, would be created by the Ilva unit Dalmine SpA, Mannesmann Röhren-Werke AG and the Vallourec unit Valubus SA. It would employ 1,000 people and make seamless, stainless steel tubes used in power stations and in the chemical industry.

A spokesman for Mr. Van Miert said the issue was under discussion and refused to comment further. But the sources said the commission investigators believed the establishment of DMV would restrict competition in Europe.

There were "severe differences of opinion and fact-finding" between the commission staff and the companies involved in DMV, one industry source said.

In late 1991, the commission invoked its veto powers under the merger rules to prevent Aerospaciale de France and Alenia SpA of Italy taking over the De Havilland commuter aircraft division of Boeing Co.

Bill for Banesto Goes Up and Up Bank Reportedly Needs as Much as \$4.8 Billion

Compiled by Our Staff From Dispatches

MADRID — The amount of money needed to restore Banco Español de Crédito SA to health could be between 600 billion and 700 billion pesetas (\$4.1 billion and \$4.8 billion), according to analysts and media reports.

The Bank of Spain's initial estimate was that Banesto needed 500 billion pesetas to rebuild a balance sheet that was stuffed with assets that now appear to be much less valuable than claimed by the ousted management.

But as the investigation into Banesto's finances goes deeper, the volume of doubtful loans and levels of risks has been indicated by media reports to be much higher than thought. Additional problems could arise as the foreign subsidiaries of the bank are taken into account, the reports said.

El País newspaper said, however, that the Deposit Guarantee Fund would be in a position to help by buying about 120 billion pesetas worth of doubtful loans from the bank. All Spanish banks contribute to the fund.

Analysts said they are still unclear about what the bank's future will be. But they said comments by the new chairman, Alfredo Sáenz, that he will maintain the "essence and unity" of the bank may mean that Banesto will not be taken over by another Spanish bank.

They said chances are high that the restructuring plan will include a cut in the par value of the bank's shares, which have been suspended on the Madrid exchange since the Bank of Spain took control of Banesto on Dec. 28.

Spain's Association for the Defense of Shareholders, representing the Banesto stockholders, said Monday that it had filed a civil suit over the weekend against the bank's auditors, Price Waterhouse, for alleged negligence in reviewing the bank's accounts.

Still, analysts said, the amount of the cut in the shares' value will likely be limited, given the negative effect on the bank's 270,000 shareholders, who include foreign investors and the bank's own clients and employees.

Press reports say almost 60 percent of all the share issues in the first portion of the capital increase carried out by Banesto in early 1993 were bought by the bank's own clients with loans from the bank itself.

After meetings Monday with Mr. Sáenz, union leaders said the new chairman had

Details of the Bank of Spain report on why it took control of Banesto, published in El País, show the extent to which the Banesto balance sheet deteriorated from the end of 1992 to the end of 1993.

Figures for 1992 show that nonperforming loans stood at an estimated 120 billion pesetas, but by the latest inspection in 1993 the figure has risen to close to 340 billion. This lifted the need for provisions on bad debts to 145 billion pesetas against 53 billion in 1992.

The figures are the result of an investigation into all outstanding loans above 250 million pesetas, and the bad debt total is expected to rise considerably once an investigation into the loans below 250 million is completed, El País said.

It also said the bank's pension fund has deepening problems. About 66 billion pesetas are needed to bring its pension coverage up to regulated standards, the report said.

An expected revaluation of Banesto's assets will reduce the value of the bank's industrial assets by about 120 billion pesetas, which would lead to a book loss of 81 billion pesetas, the report said.

One of Banesto's associate companies, the insurer La Unión & El Fenix SA, resumed trading Monday in Madrid after an 11-day suspension.

Regulators decided to allow trading again after Unión & Fenix's caretaker management agreed last week to revise its 400 million peseta 1992 profit to a 12 billion-peseta loss.

But investors' skepticism about the company's future dragged Unión & Fenix's shares down 15 percent to 1,790 pesetas, the maximum change allowed in one day.

(AFX, Reuters, AP)

The restructuring plan is expected by mid-February.

agreed to limit layoffs. They said he expects to have finished scrutinizing the balance sheet by the end of January and to have drafted the restructuring plan by mid-February.

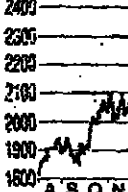
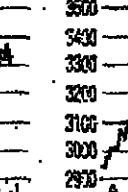
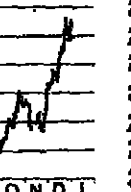
A different view of the Banesto intervention story may be given on Tuesday when the former chairman, Mario Conde, holds a meeting with reporters.

Mr. Conde is expected to be against any lowering in the value of Banesto's shares; he owns between 4 and 5 percent of them.

José María Amusátegui, chairman of Banco Central Hispanoamericano SA, said in an interview published over the weekend in El País, that he, too, was against any lowering of the value of Banesto shares.

BCH loaned Mr. Conde 7 billion pesetas in mid-1993 to invest in the Banesto capital increase, using the shares and Mr. Conde's personal wealth as collateral.

Investor's Europe

Frankfurt DAX	London FTSE 100 Index	Paris CAC 40		
				
Exchange	Index	Monday Close	Prev. Close	% Change
Amsterdam	AEX	424.42	424.02	+0.09
Brussels	Stock Index	7,662.47	7,667.00	-0.06
Frankfurt	DAX	2,233.79	2,211.64	+1.00
Frankfurt	FAZ	846.51	837.01	+1.13
Helsinki	HEX	1,724.25	1,698.26	+1.53
London	Financial Times 30	2,615.10	2,617.60	-0.10
London	FTSE 100	3,440.60	3,446.00	-0.16
Madrid	General Index	328.16	323.32	+1.50
Milan	MIB	944.00	957.00	-1.36
Paris	CAC 40	2,317.25	2,307.55	+0.42
Stockholm	Affärsvärlden	1,725.22	1,706.98	+1.07
Vienna	Stock Index	494.79	483.64	+1.05
Zurich	SBS	1,038.97	1,045.80	-0.65

Source: Bloomberg LEP

International Market Talk

Sources: Reuters, AFP International Herald Tribune

Very briefly:

- Air Afrique is to get a capital injection of 18 billion CFA francs (\$59 million), after leaders of the 11 African countries that own stakes in the troubled carrier approved a rescue plan.
- IG Farbenindustrie in Alkmaar, a shell company handling the liquidation of the notorious World War II chemicals cartel, has no legal claim to assets in Eastern Germany that were expropriated by the Soviet Union after the war, the federal administrative court in Berlin ruled.
- Roche Holding AG, the Swiss pharmaceutical company, said consolidated sales rose 10 percent to 14.3 billion francs (\$9.8 billion) in 1993.
- Crédit Lyonnais is to offer one-third of the capital in its Union des Assurances Fédérales subsidiary at a price of 520 francs (\$88.40) a share.
- French consumer prices fell by 0.1 percent in December, making the inflation rate 2.1 percent for all of 1993.
- Lafarge Group PLC said it would participate in a consortium with MAI PLC to bid for the license to run Britain's national lottery.
- Britain's merchandise trade deficit shrunk to £580 million (\$867 million) in October from \$1.09 billion in September.
- Tonkin PLC almost doubled its pretax profit in the six months to Oct. 31, to £93.8 million.

AFP, Bloomberg, Reuters, Knight-Ridder, AFX

Firm Rebuilding Beirut Raises \$850 Million

Compiled by Our Staff From Dispatches

BEIRUT — The company that will rebuild war-shattered central Beirut said on Monday it had raised more than \$850 million in Lebanon's first corporate flotation since civil war ended in 1990.

Speaking after the closure of Lebanon's biggest share offer, the head of the \$1.8 billion Lebanese Company for the Development & Reconstruction of Beirut Central District, known as Solidere, said it had easily exceeded its \$650 million target.

"We are still counting and we are over \$850 million," said Nasser Chamass, head of Solidere's board of founders. How-

ever, he said he did not expect the total to reach \$1 billion.

Mr. Chamass said the offer, which was open to Lebanese and non-Lebanese Arab investors, attracted more than 15,000 investors, and the majority of shares were purchased by Lebanese.

"We think it's a really excellent result. It's better than we expected, especially in terms of the number of people that have subscribed," Mr. Chamass said.

The issue was one of the biggest corporate flotations ever made in the Middle East.

Trading in Solidere shares is expected to start next month.

Lufthansa Board Plans Talks on Pension Fund

Compiled by Our Staff From Dispatches

FRANKFURT — Lufthansa AG's supervisory board will meet Jan. 31 to discuss the restructuring of the government-controlled airline and ways to resolve a stalemate over Lufthansa's pension fund, its chief spokesman, Josef Grendell, said Monday.

He said Lufthansa would probably have to pay 1 billion Deutsche marks (\$574.8 million) or more to the government employee pension fund VBL after the proposed establishment of nine operating units as independent profit centers and the privatization of the government's Lufthansa stake.

Mr. Grendell said the board's discussion would focus on a restructuring plan to transform Lufthansa into a holding company with five central divisions and

management board members, rather than six at present.

Subsidiaries such as Lufthansa Service Gesellschaft or Condor would each be led by a general manager and would create a sub-

structure of nine independent units within the holding group, he said.

But Mr. Grendell said that implementation of the restructuring plan as well as Lufthansa's privatization efforts would be blocked if

the company, unions and federal government did not reach agreement on Lufthansa's payments to the pension fund.

Mr. Grendell said the nine operating units would have to set up their own pension plans, which would require Lufthansa to reimburse the VBL fund. Substantial payments to VBL would also have to be made to privatize Lufthansa, Mr. Grendell said.

He declined to specify the amount but said 1 billion DM was "perhaps" the minimum.

(AFX, Reuters)

■ Growth in Traffic Eases

The International Air Transport Association reported Monday that growth in passenger traffic had slowed in November, while freight volume continued to rise, Reuters reported from Geneva.

PARIS — Air France said Monday that it wanted to remain a shareholder in the Czech national airline CSA, in which it holds a 38.2 percent stake through a consortium with the European Bank for Reconstruction and Development.

"Last December, Air France said it intended to remain a shareholder in CSA," an Air France spokesman said. "We still have the same position."

Transport Minister Jan Strasky said over the weekend that CSA planned to withdraw from its investment contract with the state-owned French airline.

The Czech government, trying to resolve a financial crisis at its national carrier, had offered to find a buyer for Air France's stake, an official close to the negotiations said Monday. The official declined to name potential buyers.

(Reuters, Bloomberg)

Barclays to Cut 3,000 Jobs

LONDON — Barclays PLC, Britain's largest retail bank, said it plans to shed 3,000 staff from its British branch network by the end of next year.

The move comes just over a week after the bank's new chief executive, Martin Taylor, began working. Barclays stressed that the job cuts were not linked with his arrival.

Barclays said in September it

planned to shed 500 workers from its retail branches in London and southeast England. It is not known how much money the banking company will have to set aside to cover the costs for the added job cuts. The increase in the number of jobs Barclays expects to cut means that by the end of 1995 it will have lost a total of 21,000 jobs since 1991.

The bank's work force is 68,500.

NASDAQ

Monday's Prices
NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

12 Month High	Low	Stock	Div	Yld	PE	52 Week High	Low	Stock	Div	Yld	PE	52 Week High	Low	Stock	Div	Yld	PE
110	100	Alcoa	1.00	4.0	15	110	100	Alcoa	1.00	4.0	15	110	100	Alcoa	1.00	4.0	15
120	110	Amgen	0.50	3.0	20	120	110	Amgen	0.50	3.0	20	120	110	Amgen	0.50	3.0	20
130	120	Boeing	1.50	3.0	15	130	120	Boeing	1.50	3.0	15	130	120	Boeing	1.50	3.0	15
140	130	Chrysler	0.50	3.0	15	140	130	Chrysler	0.50	3.0	15	140	130	Chrysler	0.50	3.0	15
150	140	DuPont	1.00	3.0	15	150	140	DuPont	1.00	3.0	15	150	140	DuPont	1.00	3.0	15
160	150	Exxon	1.00	3.0	15	160	150	Exxon	1.00	3.0	15	160	150	Exxon	1.00	3.0	15
170	160	General Electric	1.00	3.0	15	170	160	General Electric	1.00	3.0	15	170	160	General Electric	1.00	3.0	15
180	170	IBM	1.00	3.0	15	180	170	IBM	1.00	3.0	15	180	170	IBM	1.00	3.0	15
190	180	Johnson & Johnson	1.00	3.0	15	190	180	Johnson & Johnson	1.00	3.0	15	190	180	Johnson & Johnson	1.00	3.0	15
200	190	Merck	1.00	3.0	15	200	190	Merck	1.00	3.0	15	200	190	Merck	1.00	3.0	15
210	200	Pfizer	1.00	3.0	15	210	200	Pfizer	1.00	3.0	15	210	200	Pfizer	1.00	3.0	15
220	210	Roche	1.00	3.0	15	220	210	Roche	1.00	3.0	15	220	210	Roche	1.00	3.0	15
230	220	Schering	1.00	3.0	15	230	220	Schering	1.00	3.0	15	230	220	Schering	1.00	3.0	15
240	230	Schwarz	1.00	3.0	15	240	230	Schwarz	1.00	3.0	15	240	230	Schwarz	1.00	3.0	15
250	240	Schwarz	1.00	3.0	15	250	240	Schwarz	1.00	3.0	15	250	240	Schwarz	1.00	3.0	15
260	250	Schwarz	1.00	3.0	15	260	250	Schwarz	1.00	3.0	15	260	250	Schwarz	1.00	3.0	15
270	260	Schwarz	1.00	3.0	15	270	260	Schwarz	1.00	3.0	15	270	260	Schwarz	1.00	3.0	15
280	270	Schwarz	1.00	3.0	15	280	270	Schwarz	1.00	3.0	15	280	270	Schwarz	1.00	3.0	15
290	280	Schwarz	1.00	3.0	15	290	280	Schwarz	1.00	3.0	15	290	280	Schwarz	1.00	3.0	15
300	290	Schwarz	1.00	3.0	15	300	290	Schwarz	1.00	3.0	15	300	290	Schwarz	1.00	3.0	15

12 Month High	Low	Stock	Div	Yld	PE	52 Week High	Low	Stock	Div	Yld	PE	52 Week High	Low	Stock	Div	Yld	PE
310	300	Schwarz	1.00	3.0	15	310	300	Schwarz	1.00	3.0	15	310	300	Schwarz	1.00	3.0	15
320	310	Schwarz	1.00	3.0	15	320	310	Schwarz	1.00	3.0	15	320	310	Schwarz	1.00	3.0	15
330	320	Schwarz	1.00	3.0	15	330	320	Schwarz	1.00	3.0	15	330	320	Schwarz	1.00	3.0	15
340	330	Schwarz	1.00	3.0	15	340	330	Schwarz	1.00	3.0	15	340	330	Schwarz	1.00	3.0	15
350	340	Schwarz	1.00	3.0	15	350	340	Schwarz	1.00	3.0	15	350	340	Schwarz	1.00	3.0	15
360	350	Schwarz	1.00	3.0	15	360	350	Schwarz	1.00	3.0	15	360	350	Schwarz	1.00	3.0	15
370	360	Schwarz	1.00	3.0	15	370	360	Schwarz	1.00	3.0	15	370	360	Schwarz	1.00	3.0	15
380	370	Schwarz	1.00	3.0	15	380	370	Schwarz	1.00	3.0	15	380	370	Schwarz	1.00	3.0	15
390	380	Schwarz	1.00	3.0	15	390	380	Schwarz	1.00	3.0	15	390	380	Schwarz	1.00	3.0	15
400	390	Schwarz	1.00	3.0	15	400	390	Schwarz	1.00	3.0	15	400	390	Schwarz	1.00	3.0	15

12 Month High	Low	Stock	Div	Yld	PE	52 Week High	Low	Stock	Div	Yld	PE	52 Week High	Low	Stock	Div	Yld	PE
410	400	Schwarz	1.00	3.0	15	410	400	Schwarz	1.00	3.0	15	410	400	Schwarz	1.00	3.0	15

Monday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

12 Month High Low Stock Div Yld Rm 52k

12 Month High Low Stock Div Yld Rm 52k

[The page contains dense, illegible vertical Chinese text.]

[The following text is extremely faint and largely illegible due to extreme blurring and low contrast. It appears to be a multi-paragraph document or report.]

[illegible]

1. 1940年1月1日以前出生之國民，其姓名、性別、籍貫、出生年月日、現住地址、職業、教育程度、婚姻狀況、戶籍狀況、其他事項，由戶政機關依本法規定辦理登記。
 2. 1940年1月1日以後出生之國民，其姓名、性別、籍貫、出生年月日、現住地址、職業、教育程度、婚姻狀況、戶籍狀況、其他事項，由戶政機關依本法規定辦理登記。
 3. 國民之姓名，應以國文為之，並得附加本國文字之譯音。
 4. 國民之姓名，不得含有褻瀆國家尊嚴、損害社會風化、或有不雅之虞之文字。
 5. 國民之姓名，不得含有與本國文字之譯音相同或相近之文字。
 6. 國民之姓名，不得含有與本國文字之譯音相同或相近之數字。
 7. 國民之姓名，不得含有與本國文字之譯音相同或相近之符號。
 8. 國民之姓名，不得含有與本國文字之譯音相同或相近之圖形。
 9. 國民之姓名，不得含有與本國文字之譯音相同或相近之其他事項。
 10. 國民之姓名，不得含有與本國文字之譯音相同或相近之其他事項。

[illegible][illegible][illegible][illegible][illegible]

一、	二、	三、	四、	五、	六、	七、	八、	九、	十、	十一、	十二、	十三、	十四、	十五、	十六、	十七、	十八、	十九、	二十、	二十一、	二十二、	二十三、	二十四、	二十五、	二十六、	二十七、	二十八、	二十九、	三十、	三十一、	三十二、	三十三、	三十四、	三十五、	三十六、	三十七、	三十八、	三十九、	四十、	四十一、	四十二、	四十三、	四十四、	四十五、	四十六、	四十七、	四十八、	四十九、	五十、	五十一、	五十二、	五十三、	五十四、	五十五、	五十六、	五十七、	五十八、	五十九、	六十、	六十一、	六十二、	六十三、	六十四、	六十五、	六十六、	六十七、	六十八、	六十九、	七十、	七十一、	七十二、	七十三、	七十四、	七十五、	七十六、	七十七、	七十八、	七十九、	八十、	八十一、	八十二、	八十三、	八十四、	八十五、	八十六、	八十七、	八十八、	八十九、	九十、	九十一、	九十二、	九十三、	九十四、	九十五、	九十六、	九十七、	九十八、	九十九、	一百、
----	----	----	----	----	----	----	----	----	----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	------	------	------	------	------	------	------	------	------	-----	------	------	------	------	------	------	------	------	------	-----	------	------	------	------	------	------	------	------	------	-----	------	------	------	------	------	------	------	------	------	-----	------	------	------	------	------	------	------	------	------	-----	------	------	------	------	------	------	------	------	------	-----	------	------	------	------	------	------	------	------	------	-----	------	------	------	------	------	------	------	------	------	-----

[illegible][illegible]

[The page contains dense handwritten text in Devanagari script, which is mostly illegible due to blurring and low resolution.]

[illegible][illegible]

1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities related to the project. It emphasizes the need for transparency and accountability in financial management.

2. The second part outlines the specific procedures for recording income and expenses. This includes detailed instructions on how to categorize different types of revenue and costs, ensuring they are correctly entered into the accounting system.

3. The third section addresses the process of reconciling bank statements with internal records. It provides step-by-step guidance on identifying discrepancies and resolving them promptly to maintain the integrity of the financial data.

4. The fourth part covers the preparation of periodic financial reports. It details the required format and content for these reports, which are essential for providing stakeholders with a clear overview of the organization's financial health.

5. Finally, the fifth section discusses the role of internal controls in preventing fraud and errors. It highlights key areas where controls should be implemented, such as segregation of duties and regular audits, to ensure the reliability of the financial information.

[illegible]

Continued on Page 13

مكتبة ابن الجوزي

NYSE

Monday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

(Continued)

Table with 12 columns: 12 Month High, Low, Stock, Div, Yld, PE, 100, High, Low, Last, Open. Contains financial data for various stocks.

12 Month High, Low, Stock, Div, Yld, PE, 100, High, Low, Last, Open

Table with 12 columns: 12 Month High, Low, Stock, Div, Yld, PE, 100, High, Low, Last, Open. Contains financial data for various stocks.

12 Month High, Low, Stock, Div, Yld, PE, 100, High, Low, Last, Open

Table with 12 columns: 12 Month High, Low, Stock, Div, Yld, PE, 100, High, Low, Last, Open. Contains financial data for various stocks.

Nigeria Fixes Naira, Abandons Reforms

ABUJA, Nigeria — Nigeria fixed the exchange rate of its currency, the naira, at 22 to the U.S. dollar on Monday, effectively abandoning market reforms of the last seven years.

The country's military ruler, General Sani Abacha, announced the move in his 1994 budget speech broadcast from the capital, Abuja. He also announced rules that effectively stop the free flow of imports.

"Government will actively monitor this decision," General Abacha said of the currency move. He said it was taken "to create a favorable atmosphere for economic revival."

Nigeria, under the previous military regime of General Ibrahim Babangida, introduced a structural adjustment program in September 1986, with backing from the World Bank and the International Monetary Fund. The reform sent the value of the naira tumbling from parity at the time with the dollar.

General Abacha's announcement Monday fixes the naira at its current official rate of 22 to the dollar. It has been trading at around 48, however, at free-market rates.

General Abacha said all foreign-exchange offices would become agents of the Central Bank of Nigeria. "As such they are to henceforth sell foreign exchange at the rate prescribed by the CBN," he said.

The foreign-exchange offices, he added, "must therefore not sell foreign to finance imports nor should they sell more than \$2,500 or equivalent to any one customer."

General Abacha, who seized power Nov. 17, when the civilian installed by General Babangida to complete a return to civil rule program resigned, also announced several tough measures reversing the key policies of the previous regimes.

INTERNATIONAL FUNDS

Table with multiple columns listing various international funds, their assets, and performance metrics. Includes sections for 'Other Funds' and 'To subscribe in Switzerland'.

For information on how to list your fund, fax Simon OSBORN at (33-1) 46 37 21 33.

12 Month 53

- Each diary packed in a blue gift box.
- Corporate discounts and personalization are available. For details, fax Karen Drott at (33-1) 46 37 06 51.

[illegible]

12.

الحمد لله الذي جعل

Chrysler, Ford Inch Forward In Japan Market

Compiled by Our Staff From Dispatches

TOKYO — Car sales in Japan by Ford Motor Co. and Chrysler Corp. surged in 1993, but General Motors Corp.'s sales fell, according to data released Monday.

Despite the gains by Ford and Chrysler, the American Big Three still accounted for only 0.6 percent of car sales in Japan, or fewer than 20,000 vehicles in a market of more than 3.4 million.

Germany continued to be the most popular source of imported vehicles, with sales totaling 98,177, though that number was down 6.5 percent from 1992.

Chrysler's sales in Japan more than tripled, to 5,699 cars, in 1993; Ford's grew 50 percent, to 5,111. "Foreign carmakers posted gains in 1993 due to the introduction of new models and right-hand drive vehicles, as well as price cuts," said Kimihiko Ono of the Japan Automobile Importers Association.

Chrysler also benefited from a boom in sales of recreational vehicles, he said.

But primarily, he said, Chrysler's sales increase resulted from leading advice from Honda to reduce its retail prices and introduce right-hand-drive cars. American and other foreign cars have been difficult to sell in Japan by part because of Japanese motorists' dislike of the left.

General Motors sold 6.2 percent fewer cars in Japan, a total of 8,525, in 1993, although its sales have posted gains since August after GM cut prices.

The increase in car sales for all foreign makers was 7.5 percent from a year earlier, to 195,090 in 1993. Including trucks and buses, sales in Japan of foreign vehicles rose 9.1 percent, to 201,481.

Japanese automakers, hit by poor consumer demand, saw domestic car sales slump 6.9 percent, to 3,430,000, in 1993, the third consecutive year-on-year decline.

Sales of German-made cars fell 6.7 percent from a year earlier, to 97,684 in 1993.

Chrysler introduced a right-hand-drive Cherokee in January 1993, becoming the first of the American Big Three to offer a right-hand-drive car in Japan.

Chrysler also began selling its Cherokee Sports 1 model in December for 2,998,000 yen (\$26,660), making it the first foreign recreational vehicle to be sold for less than 3 million yen.

Chrysler also plans to introduce its LH model in Japan, with a sales target of 10,000 cars in 1994.

The Japanese automakers Honda Motor Co. and Toyota Motor Co., meanwhile, reported increased sales in Japan of cars imported from their American subsidiaries.

Honda sold 26,880 U.S.-made cars in 1993, up 35.5 percent, and Toyota sold 7,953 cars, more than triple its year-earlier total. Most of the American-made cars were station wagons. (Reuters, AP)

Trade Talks to Resume — Japan and the United States will resume talks Tuesday aimed at increasing Japan's purchases of American-made auto parts to try to cut Japan's trade surplus, Agency France-Press reported, quoting Japanese government officials.

It would be the fourth time the two sides had met to discuss the issue under a framework accord reached in July by President Bill Clinton and former Prime Minister Kiichi Miyazawa.

Panting at Taiwan's Door Foreigners Eager for a New Asia Play

By Kevin Murphy
International Herald Tribune

TAIPEI — With other Asian stock markets apparently taking a breather, Taiwan is attracting attention from international investors eager to enter a fray largely off-limits to them.

A few months ago it was one of the worst-performing markets in the world over a three-year period, but Taipei's volatile stock exchange has gained roughly 35 percent in the past month while neighboring markets have cooled. Still, the benchmark Weighted Price Index, which closed down 31.32 points at 6,343.83 Monday, remains about 50 percent off the all-time high hit in February 1990.

No one seriously predicts a quick return to the heights attained four years ago when stock frenzy led workers to quit their jobs to play the market full time and underground securities markets went sprawling out of control.

Indeed, Taiwan's Central Bank of China on Monday clamped down on liquidity in the financial system, sending short-term interest rates soaring, in an effort to cool the latest bout of stock speculation, Reuters reported.

But in the long term, monetary policy is expected to remain reasonably loose. This, along with political stability, signs of cautiously improving ties with China, and the promise of a relaxation on foreign stock ownership limits, has rekindled fond memories for local investors who dominate the market. These factors have also created a tempting target for foreign fund managers searching for a Asia's next hot exchange.

"In this case a small group of foreign investors' optimism about the market has caused a domino effect," said Patrick

Chim, assistant manager of Kwang Hua Securities Investment & Trust Co.

Despite government pronouncements that Taiwan wants to liberalize financial markets, the Taipei stock market remains largely closed to foreigners and dominated

by many have yet to be processed. Brokers accuse the central bank of stalling to relieve pressure on a slightly appreciating Taiwan dollar and growing money supply.

Although foreign investment accounts for at most 3 percent of market capitalization, international interest lifted regional stock markets in 1993, explaining why expectations of foreign cash alone prodded Taipei market's early rise.

Now, while many foreign institutions remain stuck on the sidelines, the momentum they helped create has carried forward without them.

Local investors are reportedly pouring their savings into the market. Others are borrowing from unofficial lenders to participate in the rally.

"A month ago, the talk was all about 6,000 being a real possibility. The number people now have in their minds is 8,000," said Peter Kura, Barings Securities' chief representative in Taipei. "These markets do have more extended booms than other places; there are not many natural sellers in the market."

How far then can Taiwan's market rise?

Analysts say local institutional investors, most of whom were bearish on the market's prospects last year, are switching from cash to equities. At the same time, large numbers of fixed deposits are maturing at a time of lower interest rates.

"I'm sure the government doesn't want to see it become as big a casino as it was in late 1989, early 1990," said Timothy Moe, research head at Salomon Brothers Hong Kong Ltd. "But Taiwan may still have a little more to go."

Applications totaling more than \$5 billion have been received from foreign investors,

ed by individual investors. The market's psychology tends to be insular, mercenary and occasionally by a mystery to analysts struggling to find explanations for sharp day-to-day price movements.

Under government regulations, a total of \$5 billion in foreign capital may be brought into Taiwan for investment in local securities. Permission to do so must be gained from the central bank, which has been slow to regulate the Securities and Exchange Commission, about the pace of the opening.

Stability of the Taiwan dollar, with its great bearing on export prices, is paramount to the central bank. The Securities and Exchange Commission's priorities are different: speeding Taiwan's overall capital markets development and liberalization.

Applications totaling more than \$5 billion have been received from foreign investors,

Today, Aitken Spence is a conglomerate with 32 subsidiaries employing more than 7,000 people in five sectors — tourism, cargo handling, manufacturing, services and real estate development.

Aitken Spence has a reputation for cautious growth, careful deliberation and a knack for picking the "right" business, the brokerage Smith New Court Sri Lanka said in a report.

It said the company's 10 percent market share and expansion plans make it well placed to exploit the boom in tourism.

Mr. Mack said over half the company's profit came from its hotels and travel agency business. Aitken Spence owns three resorts and manages seven others. Its travel subsidiary represents top operators in Europe and Asia.

"Hotels account for the lion's share of recent investments," Mr. Mack said, referring to the company's two new hotels, the expansion of its Trison Hotel — the island's sole five-star resort — and its recent acquisition of a resort in the Maldives.

"We suffered so much from nationalization we decided we would build where there's no threat of government intervention," the chairman explained. "This has been a thread of continuity in the firm's development."

material supplier in one of the world's fastest-growing wine markets.

In the final, hectic hours of negotiations over the new tariff schedules at the General Agreement on Tariffs and Trade, Mr. Clawson, the California lobbyist, managed to win a one-third reduction in Japanese duties on table wine and a cut from 25 to 20 percent on bulk shipments.

"It's only incremental," said Mr. Clawson. "But this is a multi-million dollar business, and we're going to keep at it."

Not only is California competing with French wine in the new markets in Asia, it is even breaking into the market in France itself, where five million liters of California wine were sold this year.

"As far as the consumer is concerned, this is an open market, and the French like to try new wines. If we stay here and keep at it, we'll be in good shape when the European economy comes back," said David Winter, who began working in the belly of the beast last March as the Paris-based European marketing director for Wente Brothers of California, which exports 40 percent of its output, and has just won an order of one thousand cases for a promotion in 124 stores of France's Monoprix retail chain.

California competes mostly with

what the wine trade calls the "new world" wines of Chile, South Africa, and Australia. Marketing agents the laid-back California lifestyle, and it differs from country to country.

In Germany, California capitalizes on the lack of good German reds instead of trying to take on the good local whites. "Take a chance with California," goes the slogan there, but the marketers were more cautious than that. They started slowly in upscale, specialty wine and food shops and now are in department stores. At 8 million liters, sales were up 50 percent in 1993, and this year California wine moves into hypermarkets.

Britain is probably Europe's most competitive market; it takes about 30 million liters a year from about 150 California wineries and is the state's best foreign market after Canada. It competes mainly in the tough market just below \$4 (\$6) a bottle, which is hard to do for producers with California's high labor costs, according to Andrew Montague, the California Wine Institute's chief promoter in Britain.

Asked about the tannin that too often seems to characterize California wine, he replied that meant the wine was drunk too young. "People rarely lay down California wine and they should," he said. "I am trying to turn that around with tastings and shows to get wine into glasses where people will drink it."

H.K. Market Is Called Too Big to Manipulate

Agence France-Press

HONG KONG — The Hong Kong stock exchange is achieving record volume and has become too big to be easily manipulated, its chief executive said on Monday.

The executive, Paul Chow, acknowledged having "heard talk" of attempts to influence the market. That was an apparent reference to speculation that China has the financial strength to manipulate the Hang Seng index of leading Hong Kong shares behind the scenes ahead of 1997, when the colony is to come under Chinese sovereignty.

But Mr. Chow asserted that it had become extremely difficult for any one person or organization to dictate the market's course.

"I wonder if anyone can move this market," he said.

Volume last Thursday touched a record 15.2 billion Hong Kong dollars (\$1.97 billion), reflecting an influx of foreign funds. That is almost three times the daily average last year.

Volume on Monday was 10.8 billion dollars. The Hang Seng rose 365.46, ending at 11,366.90.

Mr. Chow, noting that Hong Kong's market capitalization stood at about 15 percent behind Paris and Frankfurt, forecast that it would within three to five years overtake the Continental European markets to become the world's fourth-biggest.

He attributed the upsurge in foreign interest to the arrival this past year of the first six Chinese state companies to list directly in Hong Kong.

But over the same period, many brokers have suspected China, through its many business interests in Hong Kong, of placing big sell orders to force down the market and embarrass Governor Chris Patten.

Volume last Thursday touched a record 15.2 billion Hong Kong dollars (\$1.97 billion), reflecting an influx of foreign funds. That is almost three times the daily average last year.

Volume on Monday was 10.8 billion dollars. The Hang Seng rose 365.46, ending at 11,366.90.

Mr. Chow, noting that Hong Kong's market capitalization stood at about 15 percent behind Paris and Frankfurt, forecast that it would within three to five years overtake the Continental European markets to become the world's fourth-biggest.

He attributed the upsurge in foreign interest to the arrival this past year of the first six Chinese state companies to list directly in Hong Kong.

But over the same period, many brokers have suspected China, through its many business interests in Hong Kong, of placing big sell orders to force down the market and embarrass Governor Chris Patten.

Volume last Thursday touched a record 15.2 billion Hong Kong dollars (\$1.97 billion), reflecting an influx of foreign funds. That is almost three times the daily average last year.

Volume on Monday was 10.8 billion dollars. The Hang Seng rose 365.46, ending at 11,366.90.

Mr. Chow, noting that Hong Kong's market capitalization stood at about 15 percent behind Paris and Frankfurt, forecast that it would within three to five years overtake the Continental European markets to become the world's fourth-biggest.

He attributed the upsurge in foreign interest to the arrival this past year of the first six Chinese state companies to list directly in Hong Kong.

But over the same period, many brokers have suspected China, through its many business interests in Hong Kong, of placing big sell orders to force down the market and embarrass Governor Chris Patten.

Volume last Thursday touched a record 15.2 billion Hong Kong dollars (\$1.97 billion), reflecting an influx of foreign funds. That is almost three times the daily average last year.

Volume on Monday was 10.8 billion dollars. The Hang Seng rose 365.46, ending at 11,366.90.

Mr. Chow, noting that Hong Kong's market capitalization stood at about 15 percent behind Paris and Frankfurt, forecast that it would within three to five years overtake the Continental European markets to become the world's fourth-biggest.

He attributed the upsurge in foreign interest to the arrival this past year of the first six Chinese state companies to list directly in Hong Kong.

But over the same period, many brokers have suspected China, through its many business interests in Hong Kong, of placing big sell orders to force down the market and embarrass Governor Chris Patten.

Volume last Thursday touched a record 15.2 billion Hong Kong dollars (\$1.97 billion), reflecting an influx of foreign funds. That is almost three times the daily average last year.

Volume on Monday was 10.8 billion dollars. The Hang Seng rose 365.46, ending at 11,366.90.

Mr. Chow, noting that Hong Kong's market capitalization stood at about 15 percent behind Paris and Frankfurt, forecast that it would within three to five years overtake the Continental European markets to become the world's fourth-biggest.

He attributed the upsurge in foreign interest to the arrival this past year of the first six Chinese state companies to list directly in Hong Kong.

But over the same period, many brokers have suspected China, through its many business interests in Hong Kong, of placing big sell orders to force down the market and embarrass Governor Chris Patten.

Volume last Thursday touched a record 15.2 billion Hong Kong dollars (\$1.97 billion), reflecting an influx of foreign funds. That is almost three times the daily average last year.

Volume on Monday was 10.8 billion dollars. The Hang Seng rose 365.46, ending at 11,366.90.

Mr. Chow, noting that Hong Kong's market capitalization stood at about 15 percent behind Paris and Frankfurt, forecast that it would within three to five years overtake the Continental European markets to become the world's fourth-biggest.

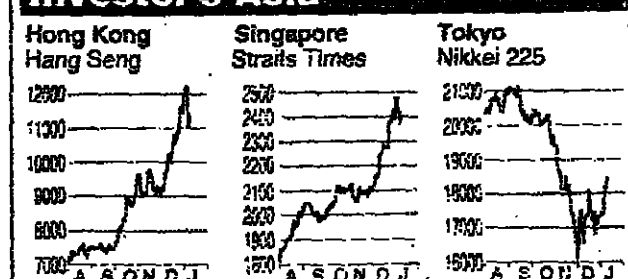
He attributed the upsurge in foreign interest to the arrival this past year of the first six Chinese state companies to list directly in Hong Kong.

But over the same period, many brokers have suspected China, through its many business interests in Hong Kong, of placing big sell orders to force down the market and embarrass Governor Chris Patten.

Volume last Thursday touched a record 15.2 billion Hong Kong dollars (\$1.97 billion), reflecting an influx of foreign funds. That is almost three times the daily average last year.

Volume on Monday was 10.8 billion dollars. The Hang Seng rose 365.46, ending at 11,366.90.

Investor's Asia



Exchange	Index	Monday Close	Prev. Close	% Change
Hong Kong	Hang Seng	11,366.90	11,001.40	+3.32
Singapore	Straits Times	2,424.36	2,366.40	+2.45
Sydney	All Ordinaries	2,184.80	2,183.00	+0.08
Tokyo	Nikkei 225	18,443.44	18,124.00	+1.76
Kuala Lumpur	Composite	1,206.75	1,190.73	+1.35
Bangkok	SET	1,545.28	1,575.43	-1.91
Seoul	Composite Stock	873.04	890.01	-1.91
Taipei	Weighted Price	6,343.83	6,375.15	-0.49
Manila	Composite	3,089.39	3,159.56	-2.22
Jakarta	Stock Index	Closed	607.69	
New Zealand	NZSE-40	2,251.52	2,278.88	-1.20
Bombay	National Index	1,823.09	1,750.53	+4.14

Sources: Reuters, AFP

Investment Herald Tribune

Very briefly:

India said it had given Pizza Hut International, a unit of PepsiCo Inc., permission to set up pizza restaurants across the country. The chain is expected to invest about \$40 million over a period of seven years to establish at least 30 restaurants, a government official said.

Japan said it would inaugurate a program next week to open large public-works projects to foreign contractors.

The Philippines opened talks with the International Monetary Fund on a new economic program and President Fidel V. Ramos said the country was in a better position to negotiate a deal due to an improving economy.

China Southern Airways and China Eastern Airways are waiting for a government decision that would allow them to list their shares on U.S. stock exchanges.

Iijin Group, a South Korean synthetic diamond producer, vowed to fight until it overturned a U.S. court ruling ordering it to stop production for seven years. The court ordered the ban on grounds that the company had stolen its technology from General Electric Co.

Kazakhstan, whose oil and mineral wealth has lured a growing number of international businesses, hopes to receive about \$1 billion in Western loans in 1994. Prime Minister Sergei A. Tereshchenko was quoted as saying.

Knight-Ridder, AFP, Reuters, Bloomberg

valuation of its main investment properties had been carried out by the real estate broker Jones Lang Wootton Inc. on Dec. 31.

The bonds will be convertible into shares of Hongkong Land, the company said.

In the last two years, prices and rents charged for Hong Kong's top-quality office buildings rose steeply as China's rapidly developing economy attracted more foreign companies into the British colony and those already in Hong Kong, especially in the financial-services industry, expanded while the supply of office space in Hong Kong's central business district remained basically unchanged.

"The increase in Hong Kong Land's valuation may even be on the conservative side; this year really has been excellent for prime-grade office space," Karl Leung, a real estate analyst at W.I. Carr (Far East) Ltd., said.

(Bloomberg, AFP)

border war in 1962, want to make 100-seat passenger planes.

Mr. Cheng said India and China could use their expertise at making military planes to manufacture civilian aircraft.

"We should diversify to the civilian side," he was quoted as saying. "The technology available with both sides could be used."

No immediate comment was available from India.

China and India have been trying to improve relations, emphasizing trade and commercial collaboration, as both countries open their insulated economies to outside investors.

Their bilateral trade rose 26 percent in 1993, to \$450 million.

China and India have been trying to improve relations, emphasizing trade and commercial collaboration, as both countries open their insulated economies to outside investors.

Their bilateral trade rose 26 percent in 1993, to \$450 million.

China and India have been trying to improve relations, emphasizing trade and commercial collaboration, as both countries open their insulated economies to outside investors.

Their bilateral trade rose 26 percent in 1993, to \$450 million.

China and India have been trying to improve relations, emphasizing trade and commercial collaboration, as both countries open their insulated economies to outside investors.

Their bilateral trade rose 26 percent in 1993, to \$450 million.

China and India have been trying to improve relations, emphasizing trade and commercial collaboration, as both countries open their insulated economies to outside investors.

Their bilateral trade rose 26 percent in 1993, to \$450 million.

China and India have been trying to improve relations, emphasizing trade and commercial collaboration, as both countries open their insulated economies to outside investors.

Their bilateral trade rose 26 percent in 1993, to \$450 million.

China and India have been trying to improve relations, emphasizing trade and commercial collaboration, as both countries open their insulated economies to outside investors.

Their bilateral trade rose 26 percent in 1993, to \$450 million.

Steelmakers In Japan Face Rising Losses

Reuters

TOKYO — Japanese steelmakers will post record losses for their current financial year, but the worst is still to come as demand from the automotive and electronics industries slumps, analysts said Monday.

Nomura Research Institute predicted the five biggest steelmakers would post combined losses of 216 billion yen (\$1.92 billion) for the year ending March 31 and, losses totaling 295 billion yen in the following year.

"Their results in 1993-94 will be the worst in history, and next year will be worse still," Hiroaki Suzuki, a steel-industry analyst for Nomura, said.

Crude steel output will fall to 91 million metric tons in the year ending March 1995 from 97 million this year, according to Daiwa Institute of Research.

On Monday the sheikh alleged in a lawsuit in the high court in London that senior Abu Dhabi officials were aware of the BCCI fraud. In the \$10.5 billion suit against the Abu Dhabi Investment Authority and Ghannim Fares al Mazrui, its head, Sheikh Khalid contended they were "knowing parties" to the BCCI fraud. Mr. Mazrui was a senior member of the Abu Dhabi team that reached agreement with U.S. officials last Saturday.

While Abu Dhabi stressed on Monday that it had reached its agreement with Washington in order to help further BCCI investigations, the emirate in recent weeks has found itself in an awkward situation in Washington. This was the case because it had asked the State Department for head-of-state immunity for Sheikh Zayed, who was named in the \$1.5 billion first American lawsuit.

Two senior members of Congress who have been investigating BCCI — Senator John F. Kerry and Representative Henry B. Gonzalez — protested to Warren M. Christopher, the secretary of state, about the attempt to win immunity for the Abu Dhabi ruler. If immunity had not been granted and Sheikh Zayed had refused to testify, the Abu Dhabi ruler could have lost the \$1.5 billion suit by default.

Even the Dover Harbor Authority, which runs by far the busiest cross-Channel port in England, forecasts a quick and massive cut in its business.

"We expect Eurotunnel to take 40 percent of our revenue in the first year," said Keith Southey, a spokesman for the Authority,

which last year handled 18 million passengers.

Exacerbating the plight of the ferry operators is a surplus of capacity. A total of 10 super ferries — five each from both P&O and Stena — make a total of 50 crossings a day, often leaving at the same time.

The competition is so fierce that we run boats that don't always make sense," Mr. Rest of Stena complained.

Beginning in May far more boats will leave Dover with even less commercial logic. Although the ferry operators and Eurotunnel insist the last thing they want is for the war of words to become a price war, some analysts predict blood-letting. Even the ferry companies admit that there is probably room for only one major ferry operator.

Even the Dover Harbor Authority, which runs by far the busiest cross-Channel port in England, forecasts a quick and massive cut in its business.

"We expect Eurotunnel to take 40 percent of our revenue in the first year," said Keith Southey, a spokesman for the Authority,

which last year handled 18 million passengers.

Exacerbating the plight of the ferry operators is a surplus of capacity. A total of 10 super ferries — five each from both P&O and Stena — make a total of 50 crossings a day, often leaving at the same time.

The competition is so fierce that we run boats that don't always make sense," Mr. Rest of Stena complained.

Beginning in May far more boats will leave Dover with even less commercial logic. Although the ferry operators and Eurotunnel insist the last thing they want is for the war of words to become a price war, some analysts predict blood-letting. Even the ferry companies admit that there is probably room for only one major ferry operator.

Even the Dover Harbor Authority, which runs by far the busiest cross-Channel port in England, forecasts a quick and massive cut in its business.

"We expect Eurotunnel to take 40 percent of our revenue in the first year," said Keith Southey, a spokesman for the Authority,

which last year handled 18 million passengers.

Sri Lankan Company Returns to Its Roots

Reuters

COLOMBO, Sri Lanka — Established 125 years ago by two Scots as a trading house when Sri Lanka was a British colony, Aitken Spence & Co. has become one of the country's top blue-chip conglomerates.

The company, which was hard-hit by the nationalization of swathes of its business in the early 1970s, is enjoying a return to such sectors as plantations and insurance.

"It's a bit of pleasure getting back into old businesses we began life with," said Michael Mack, the company's 61-year-old chairman, who joined Aitken Spence in

SPORTS

Barkley: Good-Bye

Editor's Note: After an exhilarating run to the National Basketball Association Finals and the honor of being named the league's most valuable player, Charles Barkley, 33, has been traded to the Phoenix Suns. The 6-foot, 6-inch forward collapsed on the court, tests revealed a bulging disk in his back, which has hampered his style to a degree but not his smile. Then Barkley was involved in two altercations at a Phoenix-area bar. Sunday, he was placed on the injured list because of a small tear in his right quadriceps tendon, torn during a game Friday night. The team's doctor, Richard Emerson, said it appeared Barkley would not need surgery, but that he will re-evaluate the injury this week. Amid all that, Barkley offered some thoughts on his future, the league and society in general in an interview with Samanah Stevenson.

Q: Looking ahead to next year?
A: Next year? I'm not playing basketball next year.

Q: Then tell us, what is the state of Charles Barkley in 1994?
A: I'm just trying to finish off this season. Hopefully, everything will be fine and we will win the world championship. This is my last season.

Q: For sure?
A: For sure.

Q: The fans will miss you.
A: There will always be great basketball players. I'm looking forward to playing in 1994 because we have a chance to win the world championship. We are one of three best teams in the league. There are only four or five that can win it and we're one of them.

Q: So how's your back?
A: I think it's been a struggle for me this year physically. My back is going to bother me. There's nothing I can do about it. That's part of the game. You have to play hard and play through it.

Q: Let's make a list of reasons why you are retiring.
A: The only reason is physical pain. That's it. For me, it is a physical strain. My feet make my legs and my knees hurt. That's part of my back pain. When you have back problems it makes your legs go numb. Your feet are taking a lot of pressure. I'm taking some anti-inflammatory shots in my leg that make the pain go away in my back. But I don't want to get in the habit of taking shots to play.

Q: You're not tired of the hassles you have recently had to go through?
A: I don't move around Phoenix. I've got a cook at home. My wife is a good cook. People are going to bug the hell out of you. I go with the territory. That's why they pay you so much money. They pay you a million to play and another two million to deal with the nuts. And there are no nuts for me because they will get punched in the head. But that's the way it is.

Q: Is anyone or anything going to change your mind about retiring?
A: If I can have back surgery and the doctor can make me feel like I am not being in pain then it's something I would consider. This season, if we play back-to-back games that I think we can win, I will take some games off.

The Bear Is Growling

One tournament into the new year, and Jack Nicklaus, right, was raising tantalizing possibilities. On a day when Phil Mickelson beat Fred Couples in a playoff to win the Mercedes Championship in Carlsbad, California, Nicklaus, 53, came from three shots back to win the senior section of the two-tier event. Then he began talking about winning another major title. But not on the senior tour.

"I played a very good senior tour tournament," he said. "But that's not what I'm trying to do. You may laugh at me, but I think in my own mind I can be competitive, then I believe I can be competitive. If in my own mind I don't think that, then I'll let you know and I'll go do something else."

Q: The Phoenix organization talks as though you will be back in 1995.
A: If I can get my back together and they guarantee I won't be in pain, of course I'll be playing. I'm only 30 years old. A good-looking 30 years old. I might add, Jerry Colangelo wouldn't want me to play basketball in pain. He's too good of a person for that.

Q: People in Alabama say you want to run for governor when you retire?
A: Not for four years. It's something I've always thought about and something I want to do. I think it would be a great opportunity for me. One of the problems in the political system is you have so many people who own people something. But if I get in there I won't be looking out for any particular group. I've been on both ends of the spectrum. I've been poor. I've been rich. Hopefully, I can do a good job.

Q: Republican, Democrat?
A: I'm an independent.

Q: What will be your platform?
A: No. 1 thing, I would put more money into the public school system. What we're doing is creating different socioeconomic groups and we have deteriorated our public school system. We are creating two different socioeconomic groups. Also, we have to get tougher on crime. People are not afraid to commit crimes in our society today and that's wrong.

Q: What about going back to Auburn for your degree?
A: It depends on my plans. Everybody does not need an education. I think it's important if you don't have a special gift. Having an education today doesn't guarantee you a job.

Q: Do you believe in stricter gun laws?
A: Guns don't kill people. People with guns kill people. You put a gun on that floor and I'll use it.

Q: Do you carry one?
A: I prefer not to get into it. People know you have a gun or don't have a gun, it sways their opinion if they want to do something to you.

Q: Do you feel secure in your home?
A: Yeah. As long as I have that 9-millimeter beside me.

Q: Do you have a sense that since Michael Jordan has left that the pieces of the championship puzzle are more divided?
A: No, not really. I felt the teams in the West would have been favored anyway. Seattle, Houston and us. Even Chicago. The Bulls are a great team.

Q: Any surprises in the league this year?
A: Just a lot of bad teams. And that's it.

Q: Like?
A: No, not like. There are a lot of bad teams.

Q: Do you miss Jordan?
A: I see him now more than when I was playing. I see him a lot. We made some Nike commercials and he just made a McDonald's commercial. He's doing great. He's really happy.

Q: Do you see you and Jordan ever barnstorming Europe?
A: That Dream Team stuff is over. It might tarnish something if we retire at young ages and go overseas to play. If we play, we should play in America. Maybe an exhibition over there. Or something. I'm an American. That's what Americans do. They take care of Americans.

Q: Have Pat Riley of the Knicks and Phil Jackson of the Chicago Bulls made a big impact on pro coaching?
A: They are very good coaches. But coaches aren't going to win unless the players are good. You got bad players, you can't win. This is a player's game.

Q: You laugh a lot on the court.
A: I have fun playing basketball. It's only a basketball game. It doesn't matter. We win, it's great. We lose, it's great. If you have a good team you are going to win a lot more than you lose. It's not the most important thing in the world.

Q: What is the most important thing?
A: God. Everything else is secondary.

Q: Looking back at 1993 and all of the deaths in sports...
A: I don't look back on it. I keep it on my mind all the time. How precious life is. I keep everything in perspective, no matter what happens on the basketball court. You lose a basketball game, it's not that important. If it doesn't kill you it won't affect you, I don't think.

Q: Will you miss the game?
A: You're going to miss it. You're always going to miss it. But you're going to miss it whether you retire this year or 10 years from now.

Q: What have you learned in the NBA?
A: Nobody owes you anything. You have to work for what you get. My mom taught me that, but that's stuff you learn along the way. I've gotten smarter. I'm a better, better basketball player.

Q: Unlike your commercial on role models, do you really believe you are a role model?
A: Yes. Athletes are role models. Secondary role models. Your parents are first.

Q: Are you trying to leave a Barkley legacy behind?
A: No. Because in this life you are trying to do so much you aren't thinking about what you are leaving. You don't have time to stop. Every day there is something new for me to do.



Jack C. Farnsworth/The Associated Press

Police Have Videotape Of Kerrigan's Attacker

Compiled by Our Staff From Despatcher

DETROIT — The police said Monday they have a videotape of the man who attacked U.S. figure skater Nancy Kerrigan and are hoping to get a better look at him by sending the videotape to a laboratory for digital enhancement.

"If we get a clear picture of the person, that would definitely be a step in the right direction," Deputy Police Chief Benny Napoleon said.

Kerrigan, limping slightly and holding onto her mother, returned home to Boston on Monday with hopes of skating again soon.

She was scheduled for tests later in the day on the knee badly bruised when the man attacked her with a heavy rod last Thursday after practice in Detroit.

The videotape was taken by a cameraman for Intersport, a Chicago-based production company, seconds before the attack and shows the man squatting near the curtain when Kerrigan pulls it open as she walks off the skating rink. Napoleon said.

"You can see his face," Napoleon said. "You can see his eyes. You can see his nose. You can see his mouth."

A private laboratory will attempt to clarify the shot through digital enhancement, Napoleon said. He said he was unsure how long that will take.

He said police would wait until then to distribute the videotape of the man.

On Sunday, a videotape technician from Olympia Arenas which operates Joe Louis Arena, determined that the attacker was white. Napoleon said. On Saturday, police released two composite drawings of the man because four witnesses described him as white and two described him as black.

Witnesses described the attacker as being 35 to 40 years old, 6 feet tall, and 150 to 210 pounds. Napoleon said.

Another Intersport videotape shows the attacker running down a hall after he had hit Kerrigan, Napoleon said.

"You can see him running down a hall, he said. 'You can see what looks like a black stick in his hand.'"

Kerrigan was named to the Olympic team Saturday. The attack had forced her to withdraw from the U.S. championships.

"I can't let this stop me," Kerrigan said as she arrived at Logan International Airport in Boston. "I'm just going to go on."

She said the swelling in her leg had gone down and she was following doctors' orders to try walking normally.

Kerrigan has been told by doctors that she can return to skating next week and begin jumping in two weeks. She said she hopes to skate next Monday.

Speedskater Kristen Talbot, her spot on the U.S. Olympic team secured in Milwaukee, flew home Monday to Baltimore to donate bone marrow to her brother Jason, who is undergoing chemotherapy treatment for aplastic anemia.

Talbot, a two-time Olympian, was the fourth and final 500-meter qualifier Saturday and was 10th in the 1,000 meters Sunday.

Her times in both events were better during the first weekend of competition, Dec. 31-Jan. 2. Marrow testing caused her to miss 12 practice days before the trials and she said her concern for her brother had been a further drain.

"I think it was a little bit harder than it was last weekend," Talbot said Sunday. "I think my mind is a little bit with Jason, rather than myself."

Jason Talbot, 19, was diagnosed in mid-December with the disease that slows the production of blood cells. Without a transplant, his chances of survival are 15 percent at best. A successful transfusion pushes those odds as high as 80 percent.

Talbot, 23, of Schuylerville, New York, was among three siblings who were matches for the transplant. She was considered a better candidate because of her brother's ages: Matthew is 7 and Andrew is 9. Another brother, 9-year-old Ryan, was not a match.

Doctors at Johns Hopkins Medical Center will take marrow from two places in Talbot's hip in what is expected to be a brief procedure Tuesday.

"I'm pretty calm, but I'm nervous for Jason," Talbot said.

"The recovery depends a lot on individual variation," said Richard Ambinder, Jason's doctor at Johns Hopkins. "There will be some recovery, but blood loss is different from person to person."

"Any other normal kid, there would be no question that the recovery rate would be 80 to 90 percent by the date of the Winter Olympics," said Ambinder. "I would say, though, this surgery will have an effect on Kristen's training, and with her being on the cutting edge, it will definitely affect her, but I don't know how much."

Talbot said she hoped to resume light training at Milwaukee's Pettit National Ice Center later this week. Jason Talbot will know in about a month if his body accepts the transplant. (AP, A11)

Knicks Get a Return on Trade for Harper

The Associated Press

It didn't take long for Derek Harper to get the bulk of the playing time at point guard for the New York Knicks.

Harper, acquired three days before from the Dallas Mavericks, played 27 minutes Sunday night and was on the court during a 17-7 fourth-quarter run as New York defeated the visiting Portland Trail Blazers, 95-85.

Patrick Ewing scored 36 points and John Starks added 30, but it was the newly acquired Harper, who got the most attention afterward for playing quality minutes during the most crucial part of the game.

"It's still early, but you can tell he's going to be able to spark us in certain situations," said Charles Oakley, who had 14 points and 12 rebounds for his 16th double-double of the season — one more than he had all last season.

Harper, who had seven points and four assists, made a 28-foot jumper to give New York a 91-73 lead in the fourth quarter. Portland got no closer than 14 after that.

"I was nervous," Harper said. "I'm just trying to find my comfort zone right now."

NBA Highlights

"This is a great opportunity," he added. "I think it's important that I try to take advantage of it."

Neither Harper nor Greg Anthony had outstanding offensive numbers, but Harper did a better defensive job than Anthony, who's been starting for the Knicks since Doc Rivers went down with a season-ending knee injury.

"He's doing a good job with the plays he knows," Ewing said of Harper. "He's an outstanding player and we know what he's capable of doing."

Anthony was not available for comment after the game. He had four points, four assists and five rebounds, but Rod Strickland burned him for 14 first-half points. Strickland led Portland with 19.

The Blazers were without guards Terry Porter and Clyde Drexler and center Chris Dudley, all of whom are injured.

New York outrebounded Portland 45-36.

Only the fifth time this season the Blazers were beaten on the boards.

Suns 122, Warriors 107: Phoenix, playing at home, was without Charles Barkley and Kevin Johnson, but its bench took up the slack. A.C. Green had 20 points and 17 rebounds and three other Phoenix players scored at least 21 points.

Johnson missed his third straight game to rest a bruised right thigh and sprained ankle. But Frank Johnson, 41, had a season-high 26 points and eight assists. Dan Majerle had 23 points and Danny Ainge 21.

"We played a very proud team that forgot their adversity for two hours and kicked our butts," said Golden State's coach, Don Nelson.

Suns 95, Lakers 89: San Antonio held host Los Angeles to 23 points in the first half, a franchise record-low.

The Lakers were without coach Randy Pryor, who was suspended for one game and fined by the NBA for bumping a referee in Friday's victory over the Clippers. He was replaced by assistant Bill Bertka.

ESPN Expands To Middle East

Intercom: He All Tribes

PARIS — ESPN International has signed an agreement with Orbis Communications Co. to telecast the ESPN International Network programs to the Middle East and North Africa, the 24-hour U.S. satellite sports network announced.

ESPN International's programs include NFL games, PGA golf tournaments, NHL matches, Latin American and European soccer matches. Indy car races and Davis Cup tennis. ESPN said that Orbis will provide additional programming from the Middle East, North Africa and Europe.

Telecasts will have English and Arabic commentary.

Whitbread Yachts Tightly Grouped

SOUTHAMPTON, England (AP) — Five boats were within three nautical miles of the lead Monday night as the leading fleet of the Whitbread Round the World Race rounded the southwestern tip of Australia and headed for New Zealand.

The Japanese New Zealand entry Tokyo, overall leader after two legs in the Whitbread 60 class, held a tenuous advantage over another Japanese New Zealand yacht, Yamato, and two other 60s, the European entry Intrum Justitia and Spain's Galicia 95 Pescanova.

Also bunched in the lead group as the yachts rounded Cape Leeuwin was New Zealand Endeavor, which holds first place overall in the Maxi class.

SCOREBOARD

HOCKEY

NHL Standings

EASTERN CONFERENCE			
Atlantic Division			
N.Y. Rangers	10	1	1st
Montreal	10	2	2nd
Philadelphia	9	3	3rd
Washington	8	4	4th
Pittsburgh	7	5	5th
Metropolitan Division			
St. Louis	10	1	1st
NY Islanders	9	2	2nd
Tampa Bay	8	3	3rd
Pittsburgh	7	4	4th
St. Louis	6	5	5th
WESTERN CONFERENCE			
Central Division			
Toronto	10	1	1st
Dallas	9	2	2nd
Edmonton	8	3	3rd
St. Louis	7	4	4th
Chicago	6	5	5th
Winnipeg	5	6	6th
Pacific Division			
Calgary	10	1	1st
Vancouver	9	2	2nd
Anaheim	8	3	3rd
San Jose	7	4	4th
Edmonton	6	5	5th

BASEBALL

MLB Standings

AMERICAN LEAGUE			
East Division			
Toronto	10	1	1st
Seattle	9	2	2nd
Los Angeles	8	3	3rd
Oakland	7	4	4th
Calgary	6	5	5th
West Division			
Seattle	10	1	1st
Los Angeles	9	2	2nd
Oakland	8	3	3rd
Calgary	7	4	4th
San Diego	6	5	5th
NATIONAL LEAGUE			
East Division			
Atlanta	10	1	1st
Philadelphia	9	2	2nd
Montreal	8	3	3rd
Washington	7	4	4th
St. Louis	6	5	5th
West Division			
San Diego	10	1	1st
Los Angeles	9	2	2nd
Oakland	8	3	3rd
Calgary	7	4	4th
San Jose	6	5	5th

SOCCER

World Cup Standings

EUROPEAN CUP			
Germany	10	1	1st
France	9	2	2nd
Italy	8	3	3rd
Spain	7	4	4th
England	6	5	5th
AFRICAN CUP			
South Africa	10	1	1st
Cameroon	9	2	2nd
Senegal	8	3	3rd
Sierra Leone	7	4	4th
Guinea	6	5	5th
ASIAN CUP			
Japan	10	1	1st
South Korea	9	2	2nd
China	8	3	3rd
Thailand	7	4	4th
India	6	5	5th
CONCACAF CUP			
USA	10	1	1st
Mexico	9	2	2nd
Costa Rica	8	3	3rd
Honduras	7	4	4th
Guatemala	6	5	5th

OLYMPIC SPORTS

World Cup Standings

WINTER OLYMPICS			
USA	10	1	1st
Canada	9	2	2nd
Soviet Union	8	3	3rd
Germany	7	4	4th
France	6	5	5th
SUMMER OLYMPICS			
USA	10	1	1st
China	9	2	2nd
Japan	8	3	3rd
South Korea	7	4	4th
India	6	5	5th

SIDELINES

Whitbread Yachts Tightly Grouped

SOUTHAMPTON, England (AP) — Five boats were within three nautical miles of the lead Monday night as the leading fleet of the Whitbread Round the World Race rounded the southwestern tip of Australia and headed for New Zealand.

The Japanese New Zealand entry Tokyo, overall leader after two legs in the Whitbread 60 class, held a tenuous advantage over another Japanese New Zealand yacht, Yamato, and two other 60s, the European entry Intrum Justitia and Spain's Galicia 95 Pescanova.

Also bunched in the lead group as the yachts rounded Cape Leeuwin was New Zealand Endeavor, which holds first place overall in the Maxi class.

Hong Kong Likes Horses, and Bets

PARIS (APF) — Hong Kong's racetrack fans leave the competition standing when it comes to having a flutter on the horses, a survey released here Monday showed.

The A1-coupling survey by French racing's promotional body UNIC found that in 1992, people in Hong Kong spent an average of \$1,200 per capita in bets on horse races.

The next biggest spenders were Australians. But they were a distant second at \$320, followed by Japan (\$271) and New Zealand (\$135). Next on the list were French and British punters, who each bet an average of \$120.

Leading the field in terms of the total value of bets placed was Japan, with \$33 billion wagered during 1992.

For the Record

Dr. Janis Astaphan, who admitted providing steroids to sprinter Ben Johnson and other athletes, has been arrested at John F. Kennedy Airport on drug warrants after his plane from Antigua to Toronto was diverted to New York because of the weather, a Drug Enforcement Administration spokesman said.

Peugeot's sporting director, Jean-Pierre Jabouille, said Monday he wanted Alain Prost to return to Formula One motor racing with McLaren. Prost retired last season after winning the world championship with Williams.

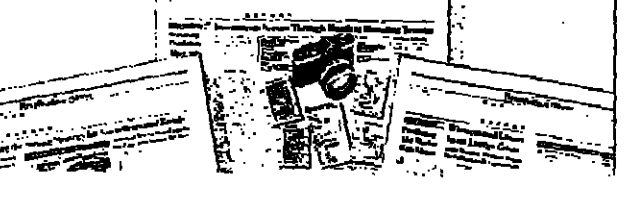
Quotable

• **Anna Bauscher**, 91, on why she didn't bother to pick up her medal after setting an age-group world record at a swim meet in Philadelphia: "I do this for survival, not for the glory."

For investment information, read

THE REPORT

every Saturday in the IHT.



ART BUCHWALD

How Americans Feel

WASHINGTON — Everyone is conducting surveys to find out how Americans feel about their lives. I figured that it wasn't too early or too late in 1994 to do my own.

Sixty percent of the people I talked to felt better about themselves than they did about Northern Ireland.

Seventy-four percent said that if they had to do it all over again they would sleep on the top floor and put their children in the basement with the doors locked and the windows barred.

A majority of Americans reported that what they feared the most was having cold popcorn in the movie theater. Children said that they feared getting chewing gum on their new sneakers and having to sit next to smelly Josh Workman on the school bus.

There was no agreement on whom people admired the most in sports, although 54 percent of those

polled said, "Anyone whose name starts with Bubbe."

When the question of guns came up, 87 percent said they would rather have a toy than a gun, but if anyone tried to take the toy away from them they would all want a gun.

When asked "Do you believe that there is only one calorie in Diet Coke?" 90 percent of those interviewed said that they did. Only 23 percent claimed to have actually seen one.

One of the questions asked was, "Do you believe God should be in the classroom?" The majority agreed that He should as long as He didn't raise real estate taxes.

The next question was, "Do you believe in dinosaurs?" To which 67 percent responded, "Only if they don't create traffic gridlock in the streets."

The survey asked people, "What do you like the most about America?" The overwhelming response by 80 percent was the Post Office.

I also posed the question, "Do you think that life is unfair?" Most of the participants said no. One typical respondent said, "Life is fair, cable television rates are unfair."

The question then came up, "Would you want your daughter to marry Howard Stern, the radio commentator?" The majority said no, but one man said, "I thought she had."

My survey also tried to find out if people were fearful of NAFTA. Sixty-nine percent responded that they could live with it as long as its warheads were not planted in the neighborhood.

Television violence was also on the list of things that people were concerned about. One of the main worries was that Oprah Winfrey was going to hit someone over the head when she took her microphone into the audience.

Did people believe that everybody should be politically correct? Most replied no, if it meant paying more for health insurance. One of those questioned said, "The only person I want to see politically correct is Senator Backwood."

When asked what they would do in the future that they hadn't done in the past, the majority said that they would pick different numbers for their lottery tickets.

Amos Oz's Belated Tribute to His Father

By David Streitfeld

Washington Post Service

WASHINGTON — Amos Oz grew up in a cramped Jerusalem apartment that boasted many books but not much else. His father, Yehuda, was a former professor of comparative literature—a reluctant immigrant to a Palestine that, thanks to European anti-Semitism, had more complicit professors than students. Yehuda took solace in his books; they fed his spirit. They didn't feed his family. "Why don't you sell some of your precious tomes, so we can buy some food?" his wife, Fania, would ask.

Reluctantly, Yehuda would pick out a few volumes and tuck off to the shops. Yet when he returned hours later he would be carrying not food, nor even the promised money, but more books. He might have gotten rid of a couple, but he couldn't resist the lure of others. Who needs to eat?

Oz smiles as he tells the story, maybe because childhood represents the high point of his relationship with Yehuda. Aries Klauzner, who had to make his living as a librarian, "He was a right-winger, a city dweller and an ardent, uncritical Zionist," says the son, who left home at age 14 to join a kibbutz, changed his name (Oz means "strength" in Hebrew), and has been a longtime and prominent advocate of reconciliation with the Arabs.

These differences, once so great, matter less now. Yehuda died in 1970, living long enough to see his son publish his first three books and become the leading Israeli writer of his generation. Oz's new novel, "Fima," his 11th work of fiction to be published in the United States, is in part a belated tribute to the old man, but also testimony to the unhappy feelings fathers can provoke in the lives of their sons.

Fima could "almost sniff his father's special smell wafting up the stairs, that smell he remembered from his infancy and could identify even in a roomful of strangers: the scent of starchy rooms, old furniture, steaming fish stew and boiled carrots, feather beds, and sticky liqueur."

"As father and son exchanged a perfunctory embrace, this Eastern European aroma aroused in Fima a revulsion mixed with shame at the revulsion, together with the long-standing urge to pick a quarrel with his father, to trample on some sacred principle of his, to disclose the irritating contradictions in his views, to exasperate him a little."

The novel is more discursive than plot-driven, as befits Fima's dreamy nature. (Efraim Nisan, to give his formal name, is a receptionist in a Jerusalem gynecologist's office, a 54-year-old onetime poet who has the richest fantasy life this side of Walter Mitty.) The story recounts the five days before what is heralded on the first page as

"the sad event," the death of his father. It will change Fima's life. The son is forced to become a little more of an adult.

"When my father was alive," says the 54-year-old Oz, "although we were not always on the best of relations, there was his body, his person—his broad back, so to speak—standing between me and death. I knew it was there, of course. Always, I could see it—this is where being an Israeli helps a little bit. But he stood between me and death. When he was gone, there was nothing."

Think of it, he says, like standing in line. "Something changes about people's posture—the way they stand, the way they wait—when they are first. The death of a parent, whether this is a father to a boy or a mother to a girl, makes you ready for the call. 'Next, please.'"

In Israel, this notion has broader implications. For a long time after its establishment, a half-century ago, the country was dominated by the founding mothers and fathers. David Ben-Gurion, Chaim Weizmann, Golda Meir—these were larger-than-life figures, pioneers, the folks who initiated it all.

"These people were always parents, even when they were very young," says Oz. "They were parents of the country, the ones who started the business. So even in the broader sense of the Israeli experience, there is now this feeling. 'Next, please.'"

He has proposed for the first Israeli-Palestinian joint project "the creation of a monument to our mutual stupidity." In his view, the Palestinians will get less than they could have had in 1948, five years ago, while the Israelis will keep less than they could have had they been more generous, more imaginative in 1967. And the thousands of victims on both sides? "The dead will get nothing except for some wreaths and a flood of high-down rhetoric."

He's sitting on the porch of his cousin's home in Bethesda, Maryland. He's thinking about his father again. Yehuda, Oz recalls, was a member of the underground during the struggle for independence, for which he wrote leaflets about the perfidious British. One day he was asked to hide in his home a few Molotov cocktails—no small matter, considering this could result in a sentence of death. Yehuda put the canisters on shelves behind a row of books. "Where else?" asks Oz. "There was no basement, no attic. The kitchen was no bigger than an airplane toilet."

The next day, the neighborhood was put under curfew. A house-to-house search followed. A young British officer, flanked by two soldiers, came into the family's apartment. He searched all the books and immediately decided that such an educated man could not be a terrorist. They began chatting about literature.



Author Oz has made his peace with his father as his country seeks its own.

An enthusiastic Yehuda—he was, after all, a professor without a single student—began plucking books off shelves. "My mother and I stood there trembling for fear a cocktail might roll off the shelves and explode," Oz says, smiling again.

Although Yehuda was a librarian, not a writer, Oz calls him "more literary than I've ever been." It's a strange thing to say when you are the writer who embodies contemporary Israeli literature in Europe and the United States. Oz's second novel, "My Michael," the story of a young Jewish woman's fantasies about two Palestinian brothers, took Israel by storm in 1968; a success on a comparable scale in the much more populous United States would need to sell about 10 million copies.

But even the most successful novelist in Israel lives much like everyone else. During the decades on the kibbutz, all of Oz's

royalties went into the common fund. He served in the army and the reserves. The house in the desert town of Arad where he lives with his wife, Nily—they have two daughters and a son—doesn't boast a swimming pool.

When he's writing, which is most of the time, Oz fends off reporters wanting to know the significance of every political hiccup. Art, for all intents and purposes, is kept separate from life. He doesn't write tracts.

His most recent novels—"Black Box," "To Know a Woman" and now "Fima"—all revolve around characters who experience a major shift in priorities, and consequently have an overwhelming urge for reconciliation. "Making peace with something," Oz calls it, quickly adding that this isn't meant politically.

PEOPLE

Billy and the Oscars
Can This Be the End?

Billy Crystal, whose stand-ups of production numbers and quick ad-libs have brought great ratings—even Emmys—to the past few Academy Awards ceremonies, is threatening to call it quits. Again. Crystal was coaxed last year to host the ceremonies one more time, but People magazine reports that Oscar may not be so lucky this year. Crystal says it's hard to repeat the impact of such unplanned events as Jack Palance's one-arm push-up, the 1992 show and the idea for a splashy entrance in 1993. A spokesman for the Academy said only that there is "no news to report on who the host will be" on March 21.

The Nobel prize winner and author Elie Wiesel plans to co-teach a course titled "Facing Hate-Making Peace" at Eckerd College in Florida this winter. . . . Wayne State University in Detroit has hired Coleman Young, whose 20 years as a mayor of the city ended a week ago, as a half-time professor of urban affairs.

The singer and actress Melissa Moore, who has hit hard times since her divorce from her husband-manager, may be rebounding since she talked of being on public assistance on "The Maury Povich Show." Two lawyers have offered free legal services and two producers have expressed interest in putting together a concert or recording deal.

Saying he is doing great work and is still getting better, NBC rewarded Jay Leno with a contract extension that will keep him as host of the "Tonight" show through 1995. The financial terms were not disclosed, but an executive said he would get a raise. He has been earning \$6 million to \$7 million a year.

Sophia Loren says she is considering leaving her acting career. "Not being a teenager anymore, I have to select stories that are very appropriate to my age and to my character," said Loren, 59, as she accepted an award in Palm Springs.

INTERNATIONAL CLASSIFIED
Appears on Pages 5 & 14

WEATHER

Forecast for Wednesday through Friday, as provided by Accu-Weather.

Europe

City	High	Low	High	Low	High	Low
Algeria	12/15	9/18	10/14	12/15	9/18	12/15
Amsterdam	6/10	3/7	7/10	4/10	6/10	3/7
Athens	5/11	1/11	6/11	2/11	5/11	1/11
Berlin	17/22	11/12	14/17	7/14	17/22	11/12
Bombay	11/22	7/14	10/11	11/22	7/14	10/11
Buenos Aires	5/11	1/11	6/11	2/11	5/11	1/11
Calcutta	4/10	0/10	5/11	1/11	4/10	0/10
Chennai	3/7	1/1	4/10	0/10	3/7	1/1
Copenhagen	12/18	8/14	10/14	12/18	8/14	10/14
Dallas	10/10	7/14	10/10	7/14	10/10	7/14
Dublin	10/10	7/14	10/10	7/14	10/10	7/14
Edinburgh	10/10	7/14	10/10	7/14	10/10	7/14
Helsinki	10/10	7/14	10/10	7/14	10/10	7/14
London	10/10	7/14	10/10	7/14	10/10	7/14
Los Angeles	10/10	7/14	10/10	7/14	10/10	7/14
Madrid	10/10	7/14	10/10	7/14	10/10	7/14
Moscow	10/10	7/14	10/10	7/14	10/10	7/14
Mumbai	10/10	7/14	10/10	7/14	10/10	7/14
New York	10/10	7/14	10/10	7/14	10/10	7/14
Paris	10/10	7/14	10/10	7/14	10/10	7/14
Prague	10/10	7/14	10/10	7/14	10/10	7/14
Rangoon	10/10	7/14	10/10	7/14	10/10	7/14
Rio de Janeiro	10/10	7/14	10/10	7/14	10/10	7/14
Sao Paulo	10/10	7/14	10/10	7/14	10/10	7/14
Seoul	10/10	7/14	10/10	7/14	10/10	7/14
Shanghai	10/10	7/14	10/10	7/14	10/10	7/14
Singapore	10/10	7/14	10/10	7/14	10/10	7/14
Taipei	10/10	7/14	10/10	7/14	10/10	7/14
Tokyo	10/10	7/14	10/10	7/14	10/10	7/14
Washington	10/10	7/14	10/10	7/14	10/10	7/14

North America

Rain and snow will fall from New York City to Washington, D.C., Thursday. Heavy rain will fall from the Great Lakes states and Midwest late this week. Chicago through Atlanta will be much colder than normal. Los Angeles will have sunny, warm weather.

Europe

The British Isles to western Norway will have windy, wet weather late this week. Snow will pile up from Oslo to Helsinki. Paris through Berlin will be windy and mild with a bit of rain by Thursday. Dry weather will prevail from Lisbon to Madrid later this week.

Asia

Rain will overcast southern Japan later this week, including the Tokyo area. Northern Japan will have snow. Seoul and Beijing will be mainly dry and chilly. The South China Sea will be rather cloudy and cool late this week with a few drizzle showers. Manila will be mainly dry and warm.

Africa

Algeria: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14. Cape Town: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14. Dar es Salaam: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14. Johannesburg: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14. Lagos: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14. Nairobi: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14. Tunis: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14.

Latin America

Buenos Aires: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14. Caracas: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14. Lima: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14. Mexico City: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14. Rio de Janeiro: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14. Santiago: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14. Sao Paulo: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14. Tegucigalpa: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14. Valparaiso: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14.

Middle East

Bahia: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14. Beirut: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14. Damascus: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14. Jerusalem: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14. London: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14. Moscow: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14. New York: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14. Paris: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14. Rome: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14. Seoul: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14. Tokyo: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14. Washington: 10/10, 7/14, 10/10, 7/14, 10/10, 7/14.

CROSSWORD

© New York Times Edited by Will Shortz.

ACROSS

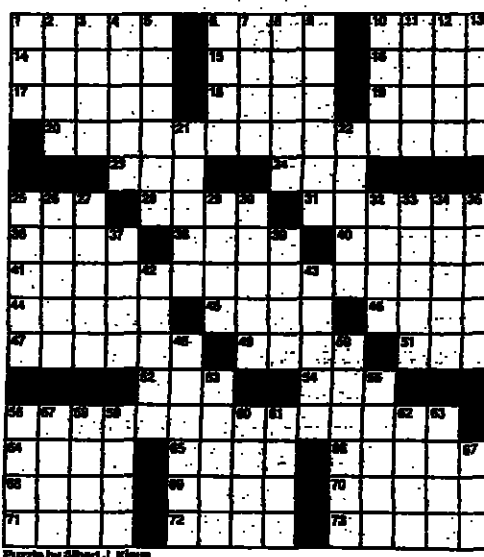
1 John Denver's "Christmas in . . ."
6 "Tuna-Fishing" painter
10 Among . . .
14 "Eyes" (1969 song)
16 Actor Richard . . .
17 Bounty rival
18 Refinement
19 Witicism

DOWN

15 Vigor
20 1950 Sinatra hit
21 West Bank org.
24 "Just a . . ."
26 Three strokes, perhaps
28 Across
30 Somewhere
31 Shares
32 Feared test
33 Troubles
34 Weaken
35 1965 Sinatra hit

Solution to Puzzle of Jan. 10

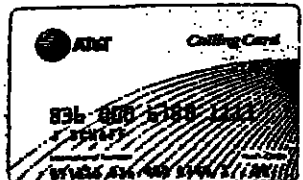
ACROSS: 1. John Denver's "Christmas in . . ."
6. "Tuna-Fishing" painter
10. Among . . .
14. "Eyes" (1969 song)
16. Actor Richard . . .
17. Bounty rival
18. Refinement
19. Witicism
DOWN: 15. Vigor
20. 1950 Sinatra hit
21. West Bank org.
24. "Just a . . ."
26. Three strokes, perhaps
28. Across
30. Somewhere
31. Shares
32. Feared test
33. Troubles
34. Weaken
35. 1965 Sinatra hit



Puzzle by Albert J. Reiss

1 Blue-chip symbol
2 Lively dance
3 Chihuahua change
4 Star, in law
5 Compass part
6 Half begun?
7 Excited
8 Stucco backing
9 Foot part
10 Among
11 Rym's run
12 Basil's successor
13 Niels Bohr, e.g.
14 The Man Without a Country
15 More sleet
16 Propels a gondola
17 Bouquet
18 Bird "perched upon a bush of Pallas"
19 Toddlers
20 Dramatic Pico
21 Goddess of discord
22 Raccoon kin
23 Lawn tool
24 Is apparent
25 Import
26 Ditto
27 Saw
28 Elevated
29 Stood up
30 Kind of switch
31 Distrustful
32 Run site
33 Prepares the presses
34 Plumber's concern
35 Behind
36 Ale
37 Pennsylvania port
38 Roadhouse
39 They go into lock
40 Rebounding of Hinduism
41 Volte-face WWI

Travel in a world without borders, time zones or language barriers.



Imagine a world where you can call country to country as easily as you can from home. And reach the U.S. directly from over 125 countries. Converse with someone who doesn't speak your language, since it's translated instantly. Call your clients at 3 a.m. knowing they'll get the message in your voice at a more polite hour. All this is now possible with AT&T.

To use these services, dial the AT&T Access Number of the country you're in and you'll get all the help you need. With these Access Numbers and your AT&T Calling Card, international calling has never been easier.

If you don't have an AT&T Calling Card or you'd like more information on AT&T global services, just call us using the convenient Access Numbers on your right.

AT&T Access Numbers
How to call around the world.

1. Using the chart below, find the country you are calling from.
2. Dial the corresponding AT&T Access Number.
3. An AT&T English-speaking Operator or voice prompt will ask for the phone number you wish to call or connect you to a customer service representative.

To receive your free wallet card of AT&T's Access Numbers, just dial the access number of the country you're in and ask for Customer Service.

COUNTRY	ACCESS NUMBER	COUNTRY	ACCESS NUMBER	COUNTRY	ACCESS NUMBER
ASIA/PACIFIC		Hungary	001-800-0111	Chile	001-6912
Australia	0014-981-011	Iceland	999-001	Colombia	980-11-0010
China, PRC	10811	Ireland	1-800-950-000	Costa Rica	114
Guam	018-672	Italy	172-1011	Croatia	119
Hong Kong	800-1111	Liechtenstein	195-00-11	El Salvador	190
India	000-117	Lithuania	84-196	Guatemala	190
Indonesia	00-801-10	Luxembourg	0-800-0111	Guyana	165
Japan	0039-111	Malta	0800-890-110	Honduras	129
Korea	009-11	Mexico	194-0011	Honduras	129
Korea	11	Netherlands	06-022-9111	Honduras	129
Malaysia	800-0011	Norway	800-190-11	Honduras	129
New Zealand	000-911	Poland	0-800-0111	Honduras	129
Philippines	105-11	Portugal	09817-1-288	Honduras	129
Russia (Moscow)	155-5042	Romania	01-800-0288	Honduras	129
Salpado	235-2872	Slovakia	00-420-00101	Honduras	129
Singapore	800-011-111	Spain	900-99-00-11	Honduras	129
So Lanka	430-430	Sweden	020-795-611	Honduras	129
Taiwan	0080-10288-0	Switzerland	155-60-11	Honduras	129
Thailand	0019-991-111	U.K.	0500-89-0011	Honduras	129
EUROPE		MIDDLE EAST		AFRICA	
Armenia	84-24111	Bahrain	800-001	Gabon	001-001
Austria	022-903-011	Egypt (Cairo)	510-0200	Gambia	001-001
Belgium	0-8-11-0010	Israel	177-100-2727	Ghana	001-001
Bulgaria	00-1800-0010	Kuwait	800-288	Guinea	001-001
Croatia	99-38-0011	Lebanon (Beirut)	426-001	Guinea	001-001
Cyprus	080-90010	Saudi Arabia	1-800-100	Guinea	001-001
Czech Rep.	00-420-00101	Turkey	00-800-12277	Guinea	001-001
Denmark	8001-0010	AMERICAS		Guinea	001-001
Finland	9800-100-10	Argentina	001-800-200-1111	Guinea	001-001
France	194-0011	Belize	555	Guinea	001-001
Germany	0130-0010	Bolivia	0-800-1111	Guinea	001-001
Greece	00-800-1311	Brazil	000-8010	Guinea	001-001